V. Barriers, Constraints and Strategies

A. LOWEST INCOME AND/OR MINORITY CONCENTRATIONS

Like many communities throughout the Midwest, both ethnic minorities and lowest income households are often found in proximity to one another. Although this is a result of several generations of public policy decisions, migration patterns and population displacement, the concentration of poverty is not considered to be desirable for our community. Distributing lower income households throughout a city or a region can create better access to job centers, reduce the stress on individual schools or even entire school districts, as well reduce concentrated criminal activity.

City of Champaign

Some of Champaign's lowest incomes can be found in Campustown. Low student incomes, defined by those student households with incomes less than $25,000 per year, are often overlooked in demographic analysis. Students are a group with high levels of unemployment, albeit often by choice, and their earning potential is often lower while matriculating than at other points in their professional lives. Lower incomes can also be found in the Central Business District and the northern part of Planning Area 2, near Douglass Park.

The City's non-white population is heavily concentrated in Planning Area 2. Those who identify themselves as white comprise less than 20% of the residents in this area. Planning Area 8, south of the railroad right-of-way, and Planning Area 4, south of West Bradley Avenue, are areas where minorities represent between 60% and 80% of the population. Planning Areas 7 and 19 have approximately the same size white and non-white populations. White households make up between 60% and 80% of Planning Areas 4, 6, 11, 15, 16, 17 and 21, while the balance of the City's geography has a non-white population of less than 20%.

A map of the City's Planning Areas can be found on Page D-101.

City of Urbana

As in the City of Champaign, a significant portion of the community's lowest household incomes are either on campus or immediately adjacent to the east in an area heavily populated by students. There is overlap between the lowest income Block Groups (annual household incomes less than $25,000) and several target areas, which are based upon Block Group boundaries from the 2000 Census. This overlap occurs in target areas 53.2 and 53.3. The balance of Urbana's Community Development Target Areas (CDTAs), areas where the City is focusing

revitalization efforts, are found in Block Groups with annual income levels between $25,001 and $50,000.

Urbana's highest concentration of non-white households is located north of University Avenue and west of Lincoln Avenue in CDTAs 53.2 and 53.5. These areas have a population that is less than 20% white. In CDTA 53.3 and the Central Business District, the non-white population is still the majority, accounting for between 60% and 80% of the residents.

A map of the Community Development Target Areas can be found on Page D-102.

Village of Rantoul

Rantoul's median household incomes by Census Tract fall into two categories: $25,001 to $50,000 and $50,001 to $75,000. The majority of the lower subset can be found north of State Route 136 and west of U.S. 45 in Census Tract 101.00. Higher household incomes are found in the core of Rantoul's geography, specifically Tracts 102.01, 102.03 and 103.00.

There is no Census Tract or Block Group in Rantoul that has a concentration of a non-white population. The northeast edge of the community near Eastlawn Elementary School has a non-white population of between 40% and 60%. The core of Rantoul, south of State Route 136 and east of State Route 45, has a white population of between 60% and 80%. The rest of Rantoul is more than 80% white.

Champaign County

Excluding the Cities of Champaign and Urbana, there is little lowest income household concentration because the population is largely rural, and a focused accumulation of lowest income households is more difficult to achieve due to low densities that are inherent in rural communities. However, Ayers, South Homer, Brown, Ludlow, Rantoul, Somer and Urbana townships have median household incomes between $25,001 and $50,000. While this is not considered lowest income, it is the lowest income strata seen outside of the county's urban core.

Hispanic Population

The Census Bureau collects information about many different cohorts. One of the most important and useful for demographers is the data associated with race. The definition of what is considered a race has changed over time, but currently the Census recognizes the following races:

Racial Categories In The Census

CENSUS RECOGNIZED RACES	DEFINITION
White Alone	A person having origins in any of the original peoples of Europe, the Middle East, or North Africa. It includes people who indicate their race as White or report entries such as Irish, German, Italian, Lebanese, Near Easterner, Arab or Polish.
Black Alone	A person having origins in any of the Black racial groups of Africa. It includes people who indicate their race as Black, African-American, or Negro, or provide written entries such as African-American, Afro-American, Kenyan, Nigerian or Haitian.
American Indian Alone	A person having origins in any of the original peoples of North and South America (including Central America) and who maintain tribal affiliation or community attachment.
Asian Alone	A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand and Vietnam. It includes Asian-Indian, Chinese, Filipino, Korean, Japanese, Vietnamese and Other Asian.
Pacific Islander Alone	A person having origins in any of the original peoples of Hawaii, Guam, Samoa or other Pacific Islands. It includes people who indicate their race as Native Hawaiian, Guamanian or Chamorro, Samoan, and Other Pacific Islander.
Some Other Race Alone	Includes all other responses not included in the White, Black or African-American, American Indian and Alaska Native, Asian and Native Hawaiian and Other Pacific Islander race categories described above. Respondents providing write-in entries such as multiracial, mixed, interracial, We-Sort, or a Hispanic/Latino group (for example, Mexican, Puerto Rican, or Cuban) in the "Some other race" category are included here.
Two or More Races	People may have chosen to provide two or more races either by checking two or more race response check boxes, by providing multiple write-in responses, or by some combination of check boxes and write-in responses.

Source: U.S. Census

Although people of Latino/Hispanic ancestry could declare themselves "some other race", the Census' racial categorization would not allow for an accurate count of Hispanic people, as "some other race" is an unknown. The Census does allow for a declaration of Hispanic ethnicity for a person of Cuban, Mexican, Puerto Rican, South or Central American or other Spanish culture or origin regardless of race. This means that a person has an opportunity to indicate that they are "Hispanic or Latino" or "Not Hispanic or Latino". If they claim the former, they can also indicate an associated race as illustrated in the following table.
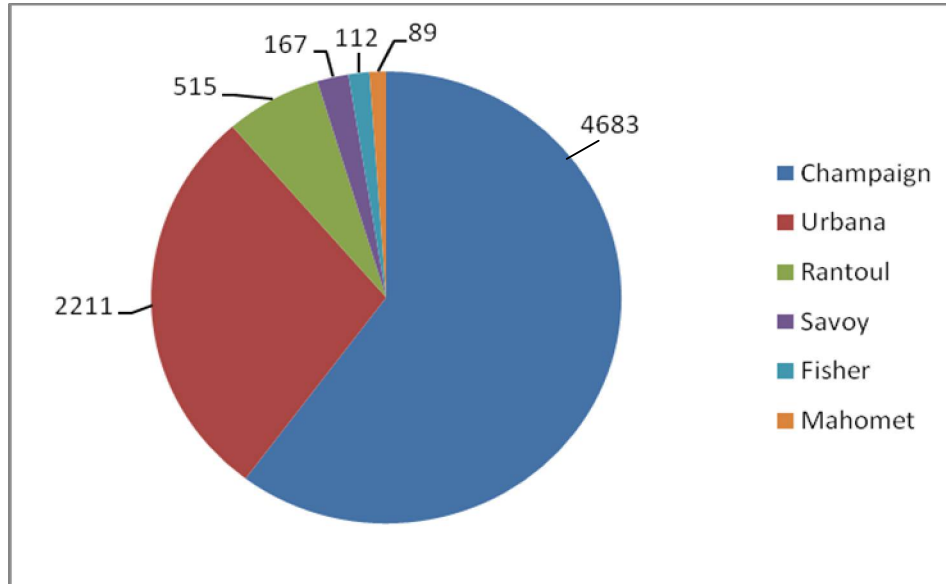
Hispanic/Latino Races

HISPANIC ORIGIN
HISPANIC WHITE
HISPANIC BLACK
HISPANIC AMERICAN INDIAN
HISPANIC ASIAN
HISPANIC PACIFIC ISLANDER
HISPANIC OTHER RACE
HISPANIC TWO OR MORE RACES

Source: U.S. Census

Champaign County has a 2010 projected Hispanic population of 8,025, representing approximately 4.1% of the total population. Just over 47% of people identify themselves as Hispanic White, while nearly 40% call themselves Hispanic Other. Nearly 97% of Hispanic people live in six communities; Champaign, Urbana, Rantoul, Savoy, Fisher and Mahomet as illustrated by the following graph.

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Six Largest Hispanic Populations in Champaign County

Source: ESRI

The remaining 3% of the Hispanic population is distributed among 17 different municipalities.

The 4,683 Hispanic people who live in the City of Champaign comprise 58.4% of Champaign County's total Hispanic population and 6.4% of the city's total population. The City of Urbana is home to over one-fourth of the county's Hispanic population with its 2,211 Hispanic residents. This amount is fewer than 5.5% of Urbana's total population. The Village of Rantoul has the third highest Hispanic population in Champaign County with 515, or 4.4%, identifying themselves as ethnically Hispanic.

Conclusions

We concluded that the overwhelming majority of both lowest income and minority populations are located in the Cities of Champaign and Urbana. The heaviest concentrations of both groups appear to be located around a portion of the two cities shared borders. Specifically, the area bounded by Interstate 74, North Goodwin Avenue and the two railroad rights-of-way. This is also an area where the majority of Public Housing assets can be found, including a significant concentration of Housing Choice Vouchers. Deconcentrating the existing Public Housing and ensuring that new affordable housing is not concentrated in the area would be good ways to begin mitigating the real and perceived effects that come with concentrated poverty.

Latino/Hispanic Conclusions

The Hispanic population is the fourth largest in Champaign County behind Whites, Blacks and Asians. The City of Champaign has the highest concentrations of Hispanic people in the county in Planning Areas 3, 4 and 5, where Hispanic people represent between 14.1% to 32.3% of the total population. These locations are also near regional job centers where the likelihood of finding employment is higher. The desire to be in proximity to jobs is also the likely reason why several block groups in the rural northern part of the county have a Hispanic population between 7% and 14%, as many agricultural and light industrial jobs can be found in these locations. The infusion of these new Hispanic households creates additional demand for housing, especially in proximity to these job centers. A table of the Hispanic population distribution in Champaign County can be found on page G-327.

B. BARRIERS TO THE PRODUCTION OF AFFORDABLE HOUSING

Within Champaign County over the past 10 years, 297 units in four projects have been developed to serve lowest to middle income households. Savoy's Parkview Apartments is a 176-unit senior development that represents over half of the new affordable housing developed throughout the county. The City of Champaign's Douglass Square and Urbana's Crystal View Townhomes and Hayes Homes represent the balance of these new units. Parkview is a large structure that contains on-site amenities for seniors under the same roof as their residences. These amenities include a computer room, game room, library, fitness center and two beauty salons. The other three properties consist of a series of two-story buildings that integrate into the existing development patterns of the neighborhoods in which they are located. All four projects have been well received, but the development of affordable housing is often more complicated than the development of market-rate properties because of a series of intrinsic barriers.

The barriers to affordable housing that exist in Champaign County are not uncommon in small to medium sized communities. It is not an unwillingness to engage in affordable housing development by either the public or the private sector, but the lack of resources required for successful developments to occur. This resource deficiency tends to manifest itself around three categories; production capacity issues, financial challenges or cost impediments to the individual(s) in the household.

Production

These types of barriers can be either financial or non-financial. Non financial barriers include inadequate or insufficient sites, lack of access to labor, lack of access to materials, inability to procure adequate infrastructure, lack of neighborhood or municipal support or a simple deficiency of knowledge regarding affordable housing production. Financial barriers include labor costs (prevailing wage can be an issue), land costs, material costs, relocation costs (some activities can trigger the Uniform Relocation Act) and other associated development costs.

Financial

Affordable housing as a public policy began when communities concluded that despite their state of employment, education or other factors, individuals were still unable to overcome the costs associated with occupying housing. These costs are driven by local supply and demand issues as well as total development costs. Access to reasonably priced capital for the developer and the occupant, as well as knowledge about short- and long-term incentives, can also affect the housing finances.

Cost to the Individual

This challenge is less prevalent in rental housing, especially multifamily, but it still can occur. Housing costs are generally considered to be excessive when the rent or mortgage (including taxes and insurance) plus utilities exceed 30% of the occupant's gross income. When housing costs exceed this parameter, the housing is no longer considered affordable. Obviously, income varies from person to person and from family to family, so market-rate housing can have a sliding scale of affordability. Housing that has received some sort of subsidy such as HOME, CDBG or LIHTC, becomes affordable by virtue of the subsidy stream it is required to serve.

C. POTENTIAL STRATEGIES TO ELIMINATE AFFORDABILITY BARRIERS

Most of the common barriers that impede the development of affordable housing do not exist today as an attempt to deliberately exclude a specific class of people. They are often unintended consequences that result from market forces or broad public policy decisions. There are many ways that the various municipalities could support additional affordable housing, as the three categories below describe. For example, newer homes that attract residents from the built environment would be more difficult to build without;

1. *Interstate Highway System* – America's largest public works project has been in perpetual construction/repair for nearly 60 years. It allowed for a deconcentration of the population to occur and for less intense land uses to become status quo.

2. *Utilities* – Even with the access to greenfields that the interstates provide, conventional development could not occur without a significant public investment in infrastructure. Water, sewer and electricity are all imperative, to say nothing of the desirable nature of natural gas and telecommunications.

This shift of wealth to the periphery, common in late 20th century American communities, left a higher concentration of lowest to middle-income households in the built environment. This in turn focused housing policy on specific parts of the community instead of the community at large. Since focusing resources and policy efforts on areas with the greatest percentage of at risk people is logical, this is the policy that was pursued. The following tools attempt to broaden the scope of potential solutions.

Production Solutions

Local government can assist with removing encumbrances and streamlining the regulatory process in order to proliferate affordable housing. These efforts, coupled with economic or tax incentives, can help to more readily engage both the public and private sector. The suggested actions include:

Land donation – Land deeded to a municipality, non-profit or other quasi-public entity could be used for affordable housing, thereby decreasing total development costs. This is difficult to plan a succinct strategy around, since the acquisition of donated land is rarely predictable.

Land banking – Establish a multiple municipality land bank that can patiently hold property with the short to medium term goal of developing affordable housing. If such an organization is capitalized by multiple municipalities, it

would have a larger jurisdiction in which to work, allowing for greater flexibility to achieve its goals and be able to more easily assist with the development of affordable housing in communities that currently have little to no affordable units.

Community Land Trusts – Acquire and hold a significant parcel(s) in a gentrifying or Greenfield community with the intention of developing it in the future as affordable housing. When the time for development arrives, affordable housing could be developed through conventional means, or the Land Trust may continue to exist as a land holder. A scenario might be created that would enable lower income people to own homes on land in the Trust through long-term renewable ground leases. The homeowner leases the land, but owns and holds the deed to their home. Without having to finance land costs, the housing that is developed would be even more affordable for residents.

Madison, Wisconsin, is one community that has successfully implemented a Community Land Trust nearly 20 years ago. In a city where the median housing sales price is nearly $200,000, the Trust model keeps housing perpetually affordable to households under 80% of area median income.

Lack of development capacity – Establish a multiple municipality entity that uses its resources to hire a savvy development staff and administer funds to develop affordable housing, or work to enhance the capacity of existing Community Development Housing Organizations (CHDOs). Both strategies strive to achieve the same end goal; an increase in the amount of affordable housing through the acquisition/rehabilitation or new construction of homes. Current activities are not comprehensive enough to impact the local need for additional affordable housing.

Inclusionary zoning – Requiring a certain percentage of units in any new development to be affordable to occupants at or below a specific income level. Some communities have created voluntary inclusionary zoning ordinances while others have made the concept mandatory. Not surprisingly, the mandatory programs create more affordable housing units. Highland Park, Illinois, has an inclusionary zoning law that mandates a 20% affordability component in any development of five or more units. In Madison, Wisconsin, projects of more than 10 units must sell 15% of the units at affordable prices.

Increased density zoning – This type of zoning is already in place around the University, but it can be expanded to include other neighborhoods and communities. This does not have to take place by replicating the multistory buildings found along East Springfield Avenue. It could consist of new subdivisions platted as Traditional Neighborhood Developments that create walkable environments with public spaces and other amenities. Fall Creek Place in Indianapolis, Indiana, and the Peninsula Neighborhood in Iowa City, Iowa, are two regional examples of such developments.

Expedited permitting – The creation of "permit ready" house plans for use on certain sites could expedite the development of homes and lower their total cost. This has been an effective tool for the development of affordable housing in Portland, Oregon. Different designs are approves for different parts of town, thereby ensuring that each approved design is architecturally appropriate and will blend in with the built environment.

In Columbus, Ohio, a "One-Stop-Shop" was created to streamline the regular process that directly impacts housing production and its affordability. These efforts include zoning, building and development codes as well as the permitting and approval process.

Revised impact fee structure – Since most residential development is not economically sustainable without public sector intervention, implementation of impact fees for new development could help the municipalities of Champaign County offset their infrastructure costs. A percentage of the money generated from impact fees could be used to create an affordable housing loan fund, whereby developers interested in helping to achieve the region's housing goals could have access to low cost capital. To further incentivize development, impact fees could be diminished or eliminated in affordable or inclusionary housing developments.

If impact fees are not pursued, they cannot be reduced. The City of Dayton, Ohio, targeted seven neighborhoods for property tax reductions. If a homeowner were to buy a residence in the prescribed area, the homeowner would receive a 100% residential tax abatement for five years, decreasing by 20% over the next four years. A homeowner that chose to renovate his/her home, deferred increases realized in property taxes for 15 years.

Modular or manufactured housing – Modern modular and mass produced infill housing no longer has the stigma associated with early manufacturing processes. Homes can be positioned above full basements, be traditional in appearance and tend to range in size from 800 to 3,000 square feet. Because they are mass produced and assembled at the construction site, cost savings can be realized. A two-story, 1,400 square foot, neo-traditional house can commonly ship in four pieces (two for the first floor and two for the second floor) and be set in a matter of hours.

Financial Solutions

Over the years, a variety of tools have been created that are considered to be mutually beneficial to individuals, municipalities and lenders. This interaction can break down very quickly in the affordable housing marketplace; if no one is occupying housing, the municipalities are not realizing their goals and the

financial services industry becomes weaker since it is not engaging consumers in its product line. Each scenario is different, but one, or several, of the tools listed below may need to be applied to help an affordable housing project come to fruition.

Loans – Local lenders and/or municipalities can make capital available at a discounted rate if it is being used at any point in the affordable housing development process.

Bond Financing – Bonds can only be issued by a few entities, but, since they only require interest payments until maturity, they can serve as a way to finance affordable housing activities. This is similar to Illinois' Rental Housing Support Program that the Housing Authority has used in conjunction with the Illinois Housing Development Authority.

Equity investments – The most common equity investing in affordable housing comes through the Low-Income Housing Tax Credit program. Administered by the state, the program allows private investors to trade equity investments for tax benefits. The investors realize their tax goals, and the affordable housing developers have money to buy down development costs, thereby keeping rents affordable. This program is common throughout Illinois, but local municipalities should attempt to influence investment locations as much as possible so that long-term policy goals can be achieved.

Grants – Grant dollars can be used to offset the development gap, the amount between total development cost and the appraised value. No developers will create affordable housing if they are guaranteed to lose money; therefore, the municipality should eliminate that risk.

Tax abatements and rebates – Partial or complete tax abatements can be given to affordable housing units. This lowers the cost to occupy a unit, thereby lowering the housing burden and freeing up resources to be spent elsewhere.

Tax Increment Financing – Creating a Tax Increment Financing (TIF) district can be a wise strategy when property values are low in a community. The TIF freezes current values and any increases in property taxes are funneled into a special fund. This fund can only be used for certain public purposes, but in Illinois, one of those purposes is the creation of affordable housing.

Housing trust funds – Establishment of a trust fund with a dedicated funding source could allow for a full range of housing activities to occur. These activities might include predevelopment costs, rental assistance, housing counseling, handicapped accessibility modifications, rehabilitation, home repair and new construction.

Nonprofits – Tax exempt non-profits have the ability to raise funds that are not available to private sector companies or to municipalities. These additional resources can be used to offset costs.

Faith-based organizations – Like non-profits, faith-based organizations are tax exempt and can access funds that the for-profit private sector and the public sector cannot. However, due to the ecclesiastical nature of their work, they also have the ability to tap into their congregations or other like minded churches as a way to expand their agenda, which they see as mission driven.

Foundations – Many foundations have a permanent endowment and make philanthropic investments based upon income earned from the endowment. These organizations usually adhere to a specific mission that governs the distribution of these funds. The following list represents a partial inventory of those foundations that make annual investments in affordable housing;

- The Annie E. Casey Foundation
- The John D. and Catherine T. MacArthur Foundation
- The Kresge Foundation
- The McKnight Foundation
- The Rockefeller Foundation
- W.K. Kellogg Foundation
- Ford Foundation
- Robert Wood Johnson Foundation
- Surdna Foundation
- AARP Foundation
- Bill & Melinda Gates Foundation
- Citi Foundation

Cost to the Individual Solutions

Even when great care has been taken to ensure that housing is made affordable, and some of the production and financial tools described above have been applied, housing costs may still not be affordable to prospective occupants. Methodologies such as down payment assistance, closing costs, rental assistance, lease/purchase homes and addressing the affordability gap are designed to benefit the resident directly.

Rental Assistance – The most common form of rental assistance is the Housing Choice Voucher, formerly known as the Section 8 voucher. Having possession of such a voucher ensures that a resident will pay an exceptionally diminished amount for rent, possibly $0, based upon income. There are currently over 1,200 Vouchers in Champaign County and the program has a waiting list of over 600

households. This indicates that there is a significant additional need for Housing Choice Vouchers in the community.

Mortgage Down Payment and Closing Cost – Sometimes a developer, although more likely a municipality, will utilize funds to pay for a homeowner's down payment and/or closing costs. Removal of these costs may eliminate the only practical constraint to home ownership. This practice is common place and is used Kansas City, Missouri; Columbus, Indiana; and Pittsburgh, Pennsylvania, among other locations.

Affordability Gap – Sometimes a buyer can only qualify for a mortgage that is less that the list price of a home. A municipality could intervene and make up this difference through a forgivable soft second mortgage. The mortgage would have to have a restrictive covenant regarding resale and an affordability term imbedded in it in order to ensure that the funds invested continue to have a valid public purpose. Soft second mortgages are common and are used by regional municipalities such as Columbus, Ohio; St. Paul, Minnesota; and Detroit, Michigan.

Mortgage Credit Certificates - Homebuyers would receive a Mortgage Credit Certificate from the Illinois Housing Development Agency that could be used to reduce the household's tax burden every year for the life of the mortgage loan. With Mortgage Credit Certificates, a percentage of what the borrower pays in mortgage interest becomes a tax credit that can be deducted dollar-for-dollar from the income tax liability. The balance of the mortgage interest continues to qualify as an itemized tax deduction.

Lease/Purchase – For those who cannot purchase a home, the Lease/Purchase model allows the occupants to live in a house, typically for no more than three to five years, as renters before having to close on the home. Rent payments are often structured to pay down the municipality's subsidized mortgage with a portion of rent occasionally going into escrow so that adequate money will be available to cover closing costs and transfer fees. A different, long-term lease purchase approach is taken by some municipalities. Pioneered by the City of Cleveland, Ohio, occupants of rental housing are given the right of first refusal to purchase homes as they exit the 15 year Tax Credit compliance period. The homes have little debt ($6,000 to $16,000) compared to other homes on the open market, making them more financially appealing to prospective buyers. Cleveland has seen 90% of its Lease Purchase Program participants purchase their homes.

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Limited Equity Cooperative Housing – This type of housing was popular in the 1960s and 1970s throughout the United States, but recently, has fallen out of favor. Ann Arbor, Michigan, has successfully implemented limited equity cooperative housing. It is also being considered for several developments in Columbus, Ohio.

A project would be structured with a developer (for-profit, non-profit or municipality) taking and maintaining ownership of a multifamily building. The developer would be responsible for the long term debt on the project, which is desirable since it is presumed that the developer will have stronger credit than the residents. Residents buy shares of the building, which give them the right to occupy a specific space. Shareholder's monthly payments are akin to rent and cumulatively help the owner service the project's debt; however, this is considered a form of homeownership. Shareholders will be allowed to keep a percentage of the equity that accrues as mortgages are paid down and real estate values increase. This is useful for people who are close to achieving homeownership, but lack the economic stability for a conventional mortgage.

D. EXAMINATION OF HOMELESSNESS

The HUD-prescribed matrix below provides a summary of the nature and extent of homelessness in Champaign County.

ESTIMATED UNMET NEED - CALCULATED FROM COMBINED SURVEYS			RELATIVE PRIORITY
INDIVIDUALS			
BEDS	EMERGENCY SHELTER	4	Medium
	TRANSITIONAL HOUSING	25	High
	PERMANENT HOUSING	85	High
	TOTAL	114	
PERSONS IN FAMILIES WITH CHILDREN			
BEDS	EMERGENCY SHELTER	6	High
	TRANSITIONAL HOUSING	40	High
	PERMANENT HOUSING	60	High
	TOTAL	106	

Source: Survey of Homeless Persons in Champaign-Urbana, conducted August, 2009.

In August 2009, a countywide survey of homeless persons was conducted where 136 persons, or 23% of the Champaign County homeless population, reported chronic homelessness. HUD defines a chronically homeless person as "an unaccompanied homeless individual with a disabling condition who has either been continuously homeless for a year or more, or has had at least four episodes of homelessness in the past three years".

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Transitional homelessness occurs when housing continuity is interrupted by a catastrophic event such as a natural disaster, foreclosure, eviction or domestic incident. When individuals have access to homeless or supportive services, these persons usually are able to locate and obtain stable housing. The 2009 survey indicates that 14% of homeless persons would fall into this category in Champaign County.

Episodic homelessness refers to circumstances in which persons have recurrent short term problems with housing. These people often have unstable domestic relationships, substance abuse problems and/or they are underemployed. Approximately 20% of homelessness in Champaign County is considered episodic in nature.

The Urbana-Champaign Continuum of Care (COC) has surveyed homeless persons in Champaign County several times during the past decade in an effort to accurately count the number of homeless individuals and families to better understand the causes of homelessness and to plan services that would effectively address the needs of this population. In summary, the 2009 summertime survey reported that in one week Champaign County had approximately 594 homeless persons, of which 236 were adults and 358 were children.

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Priority Homeless Needs

While need for homeless facilities tends to increase during poor economic times, Champaign County still has a large unmet need for facilities serving homeless individuals and homeless families with children. The homeless subpopulations are depicted in the following HUD-prescribed Continuum of Care Homeless and Special Needs Populations and Subpopulations Chart.

Table 1A
Homeless and Special Needs Populations

Continuum of Care: Housing Gap Analysis Chart

		Current Inventory	Under Development	Unmet Need/ Gap
Individuals				
	Emergency Shelter	35	0	52
Beds	Transitional Housing	196	0	31
	Permanent Supportive Housing	90	11	52
	Total	321	11	135
Persons in Families With Children				
	Emergency Shelter	23	0	11
Beds	Transitional Housing	138	16	9
	Permanent Supportive Housing	46	0	50
	Total	207	16	70

Continuum of Care: Homeless Population and Subpopulations Chart

Part 1: Homeless Population	Sheltered		Unsheltered	Total
	Emergency	Transitional		
Number of Families with Children (Family Households):				
1. Number of Persons in Families with Children	37	145	0	182
2. Number of Single Individuals and Persons in Households without children	31	82	13	126
(Add Lines Numbered 1 & 2 Total Persons)	68	227	13	308
Part 2: Homeless Subpopulations	**Sheltered**		**Unsheltered**	**Total**
a. Chronically Homeless	6		2	8
b. Seriously Mentally Ill	35			
c. Chronic Substance Abuse	54			
d. Veterans	15			
e. Persons with HIV/AIDS	1			
f. Victims of Domestic Violence	15			
g. Unaccompanied Youth (Under 18)	0			

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Table 1B
Special Needs (Non-Homeless) Populations

SPECIAL NEEDS SUBPOPULATIONS	Priority Need Level High, Medium, Low, No Such Need	Unmet Need	Dollars to Address Unmet Need	Multi-Year Goals	Annual Goals
Elderly	High	1,761			
Frail Elderly	High	460			
Severe Mental Illness	Medium	100			
Developmentally Disabled	Medium	100			
Physically Disabled	High	4,361			
Persons w/ Alcohol/Other Drug Addictions	Medium	370			
Persons w/HIV/AIDS	Medium	296			
Victims of Domestic Violence	Medium	100			
Other		100			
TOTAL		**7,648**			

Source: City of Champaign

Homeless Strategic Plan

During the last decade, service providers, local governments and healthcare providers have been dedicated to the implementation of a comprehensive system of housing programs and supportive services for homeless assistance in the Champaign-Urbana area. The providers formed a Continuum of Care group that meets monthly to discuss the needs of the homeless population and to chart a course of action to address the homelessness problem.

Almost all of the agencies that provide services to the homeless and near homeless population are located within the Cities of Champaign and Urbana, but accommodate and serve persons throughout Champaign County. Rural Champaign County agencies are generally branches of services whose main offices are located within these two cities. The local Continuum of Care serves the City of Urbana, City of Champaign, the Village of Rantoul and Champaign County.

It is important to note that the homeless population does not recognize or respect political boundaries. Although the largest concentrations of homeless individuals tend to be found in downtown Champaign, downtown Urbana and the University District, it is acknowledge that they are not necessarily tied to any particular community. The agencies and organizations that provide social and supportive services offer help to homeless individuals regardless of their last known address. In that sense, the data for Champaign and Urbana was jointly compiled and is included within this report.

The Continuum of Care System that serves the homeless residents of Champaign County has a four pronged plan to address homelessness;

Step 1 – Prevention - Actions are taken to prevent persons from losing their housing and becoming homeless.

Step 2 - Outreach, Intake, Assessment and Advocacy - Intake/assessment workers and case managers employed by area agencies identify homeless persons and attempt to connect them with services available in the community. They also provide outreach to persons at risk of becoming homeless and encourage them to seek services that will allow them to remain housed and live self-sufficiently.

Step 3 – Provide Emergency Shelter - Individuals residing in emergency shelters are provided with interim housing and encouraged to move to transitional housing. Agencies that provide transitional housing also provide the supportive services necessary to move persons back to self-sufficiency.

Step 4 - Permanent Housing - Help people move to permanent supportive housing or stable affordable housing.

The availability of affordable housing in Champaign County is still an issue with a high level of unmet need. Needs have continued to increase, enhanced by the recession and associated unemployment. Even if the need had remained constant over the past year, the Continuum of Care indicates that the community is deficient by 135 beds in its emergency shelters for individuals.

Transitional and emergency shelter housing for families with children is another urgent area of need, as there are 70 families in Champaign County who cannot be accommodated by the current capacity level. If these issues are properly addressed now, the necessary changes can be made to prevent the need for both temporary and permanent affordable housing from growing to an unmanageable level.

A definite need was recognized a year ago, but several factors indicate that the need has only increased over time. Various social service organizations in the area were contacted to determine if there had been any change in the level of unmet needs. No one contacted believed that the needs had decreased. Several said there were no significant increases in homeless populations or their needs, and some stated that they noticed greater needs in some areas.

Factors indicating increased need include:

- An especially urgent need for affordable housing for people of low and extremely low income levels (31% to 50% and 0% to 30% of AMHI).
- Increases in rental and utility assistance requests when unemployment benefits expire.
- An increased number of homeless children in the local school district.

More people are turning to local food pantries. One pantry (Wesley Evening Food Pantry) was previously serving 500 to 700 people where it currently serves 1,200 to 1,400 people.

The Eastern Illinois Foodbank, which provides items to local pantries, estimated a 20% increase in the number of people served over the past year.

Salvation Army's Stepping Stone Shelter has seen a definite increase in men staying at the shelter over the past year. Turning away up to 10 men seeking lodging per night, the facility has been very close to, if not at, capacity (48 beds) for at least eight months.

The Greater Community AIDS Foundation has seen an increase in HIV positive individuals, along with an increase in clients' unemployment rates, leading to greater numbers becoming homeless. When working for minimum wage, even those people with jobs cannot afford housing.

Accessibility for the disabled has always been a housing issue, but now there is also a significant increase in the lack of affordable housing for the disabled. New developments are more physically accessible, but rents of approximately $1,200 make them financially inaccessible. Due in part to a lack of hard units, individuals completing reintegration programs often have nowhere to live.

E. BEST PRACTICES EXAMINATION

The Continuum of Care that has been established to serve the homeless population in Champaign County provides an excellent framework to address the needs of this vulnerable population. However, an examination of best practices and alternative methodology could strengthen local systems and lead to a more responsive network.

The two largest factors that have contributed to the rise in homelessness over the past several decades are the shortage of affordable housing and an increase in poverty. If these two issues could be addressed before people become homeless, a substantial part of the current homeless population could remain adequately housed. Ample and diverse affordable housing opportunities near job centers are an effective pre-homelessness mitigation technique. Other conditions can trigger homelessness or affect the amount of time a person remains homeless.   Such conditions include:

- Mental illness
- Substance abuse
- Domestic violence
- Housing challenges (foreclosure, eviction)
- Societal re-entry after prison release
- Natural disaster
- Lack of employment opportunities
- Lack of affordable health care
- Disability
- Relationship breakdown

Some of these factors must be addressed before an individual or family can reasonably move from homelessness back into stable housing. Once these factors are addressed, other best practices can be employed to mitigate homelessness.

Intake and Assessment

The intake process serves two very important functions: obtaining documentation to determine applicant eligibility for program services and providing the opportunity to collect information to preliminarily assess the suitability of the applicant for program services.

The intake process, and the determination of an applicant's suitability, represents an opportunity to gather information about potential participants, as well as to explain program services, objectives and expectations. The participant must have a clear understanding of the services offered, the time it will take to work through a program, etc., so that they have total commitment to the program. During this process, it will be important to analyze to what degree potential participants are engaged and committed to participate in job training and employment, and conclude that their expectations for employment are realistic. A skills and interest assessment test might be useful to administer during the intake process to help guide discussions with the applicant.

Education and Training

Although participant assessment may indicate a need for educational attainment, the participant's circumstances may rule out this type of instruction, unless some arrangement is made for income and housing support while the individual is involved in basic skills instruction. Grants or other supportive services may need to be applied.

Some individuals may have experienced failure in previous efforts to address basic skills deficiencies (i.e., dropped out of high school, training opportunities, etc.). This may result in applicants entering the program with low self-esteem and lack confidence in their ability to succeed within an educational setting.

The results of the basic skills tests conducted during the assessment process should provide a detailed picture of the participant's deficiencies, as well as some strengths that could be used to one's advantage. Test results should be discussed with each participant and a discussion should ensue explaining how the test results could impact his/her training and employment opportunities. During these discussions, a realistic plan for addressing basic skills deficiencies should be developed. Both the applicant and the intake staffer should buy into the plan. The plan should be tailored to the individual, clearly defining all objectives as well as the time frame and intensity of the training the individual is expected to undertake to reach his or her goals.

Job Placement

The ultimate goal of most employment and training programs is for participants to secure and retain positions consistent with their training that provide wages that enable them to be self sufficient. This goal applies to homeless participants as well.

In order to be successful, skill set development, job search and job placement activities must focus on both the participant and conditions within the local labor market. The participant will require encouragement and advice to maintain a positive attitude and be prepared to persevere in his/her job search. Regarding the labor market, placement assistance services should be offered to match the available job opportunities with the skill sets of the participants. This requires maintaining relationships with employers to gain knowledge of existing job opportunities.

The issue of quality job placement must also be considered. Two competing philosophies exist regarding this issue. One is the notion that any job is better than no job, as participants develop work habits, earn income and begin to stabilize their lives. Jobs with amenities such as retirement benefits, health care or significant career advancement opportunities will come after the participant has more experience. The other school of thought suggests that focusing on pre-employment training strengthens the candidate's so skills that he or she can obtain a job with health insurance and a greater chance for advancement. There is no definitive conclusion concerning which philosophy is better, although the latter is more difficult to achieve in a slow economy, due to the availability of jobs.

Housing

While the need to incorporate housing strategies into the individualized plan may seem obvious, it is not necessarily included in existing employment and training programs. This stage of the continuum of housing includes four main types;

- Emergency shelters are short-term facilities that provide a place to sleep. Some shelters are open 24 hours per day, while others have a set evening arrival time and morning departure time. Admission to shelters is usually open, but capacity is almost always limited, especially in the winter months. Many are only available on a first-come first-served basis or may limit the maximum number of days that a person may stay. Although these shelters focus on providing temporary shelter, they may also provide some referral services (health care, sundries, clothing or transportation services) and occasionally may provide case management.

- Transitional housing is a type of semi-permanent housing that generally allows residents to stay for no more than 12 to 18 months. It is designed to segue between an emergency shelter and other forms of more permanent housing. As such, it has ready access to supportive services for residents, many of which are available on-site. Transitional housing also requires that residents work and save a portion of their earnings so that they will have a small savings to facilitate the shift to the next type of housing on the continuum.

- Subsidized permanent rental housing is a way in which public funds are used to create housing for below market rate. This allows people to afford housing that is generally better than what they could otherwise afford. These projects are most often subsidized through the Low-Income Housing Tax Credit (LIHTC) program for housing developments and the Housing Choice Voucher (formerly Section 8) program that subsidizes households. Other housing choices may be developed by the local housing authority or developed as Single Room Occupancy (SRO) units.

- When an individual or household has stabilized to the point where these transitional housing types are no longer required, then the move to unsubsidized permanent housing occurs. This involves the rental or purchase of housing units that are reacting to market forces, not supported by subsidy. Individuals may remain in unsubsidized permanent housing as long as they meet the requirements established in the rental or purchase agreement. This is the final step in the successful reintegration of formerly homeless individuals into the housing continuum.

Supportive Services

Supportive services, while not the primary focus of most homeless advocacy agencies, are often crucial to success for homeless participants. Child care, access to transportation, health care and other challenges can prevent a formerly homeless participant from completing job training or successfully being placed in a job. Transportation tends to be the greatest challenge since many new jobs are often now created on the fringe of the community, far from the supportive services and housing that participants require.

Create Supportive Service Agreements with Other Agencies in the Community

Supportive services must be in place before entering job training or employment programs for participants to have the greatest potential for success. Such relationships must be strong, since the goals of the respective organizations are interrelated. If inter-organizational relationships are difficult to create, consider lobbying public officials to mandate such relationships and force efficiencies within the social service system.

Continual Assessment of Supportive Service Agency Needs

Through the identification of supportive service agency needs and challenges, the potential for participant success can be greatly enhanced. A break down in substance abuse counseling or interpersonal relationship therapy can delay, if not derail, a participant's pathway to successful job training, placement and stable housing.

Assist Eligible Participants with Supportive Services Access

Ensuring that supportive service case managers are well trained can be the difference between success and failure for many program participants. Proper training can ensure that case managers can appropriately deal with the challenges associated with the transitional homeless population as well as having the knowledge to connect the participants with the various state, federal and local programs. Knowing what conditions, whether physical or economic, must be present for a participant to access food stamps, Medicaid, health clinics, etc. is also paramount to the success of participants. Development of a best practices manual, complete with contact information for similar or related agencies, would prove useful.

Transportation

As previously mentioned, access to transportation is the single greatest deterrent to maintaining steady employment. A reliance on public transportation may not always be possible, especially in places like Champaign County that have limited service. Therefore, alternative methods must be employed, such as carpooling, ride sharing, private transportation services or employer-based transport.

Coordinate With Both Mental Health and Substance Abuse Treatment Programs

The general population tends to have less of a need for substance abuse and mental health treatment than does the homeless population. In order to address this need, some homelessness programs have attempted to maintain their own counselors on staff. It is difficult to maintain a high quality staff with diverse skill sets during this climate of limited resources. Many believe that access to resources will never be as great as it was in the 1990s, so the more opportunity to share resources with other organizations, while diminishing duplicity and redundancy, the better. These aforementioned diminishing resources have also resulted in long waits for mental health and substance abuse treatment.

Geographic Location

A stigma is often associated with homeless shelters, supportive housing developments, SROs and other types of transitional housing. Concerns about the behavior of residents, their impact on the existing community and their potential effect on property values are often collectively referred to as NIMBY (Not In My Back Yard). Yet it is critical that this vulnerable and transit-dependent population be located close to supportive services and/or job centers.

One effective solution that has worked for The Commons At Grant in Columbus, Ohio, is a good neighbor agreement between the housing's owner and the community. The agreement stipulates that the building must be physically well-maintained, safety concerns will be addressed by creating a block watch program and by discouraging loitering, the conduct and behavior of residents will be monitored to ensure that they do not interfere with the quiet enjoyment of others in the neighborhood and communication with the community will be frequent and open. This agreement went a long way in alleviating the NIMBY feelings being expressed and it provided a framework to define roles and responsibilities for both the housing provider and the community at large.