The State of Missouri

Consolidated Plan

FY 2013 – 2017

24 CFR Part 91

Consolidated Submissions for Community Planning and Development Programs

Prepared By:

The Missouri Department of Economic Development

In coordination with:
The Missouri Housing Development Commission
The Missouri Department of Social Services
The Missouri Department of Health and Senior Services

April 2013

2013-2017 Consolidated Plan

State of Missouri

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Executive Summary

In 1995, the Consolidated Plan became the single planning document for all funds received by the State from the U.S. Department of Housing and Urban Development (HUD). These funds represent four major programs administered by the State of Missouri by four separate agencies:

- Community Development Block Grant (CDBG) – Department of Economic Development
- HOME Investment Partnerships Program – Missouri Housing Development Commission (MHDC)
- Emergency Solutions Grant (ESG) – Department of Social Services/MHDC
- Housing Opportunities for Persons With AIDS (HOPWA) – Department of Health & Senior Services

The Department of Economic Development is the designated lead agency for the Missouri Consolidated Plan and Action Plan.

The State uses a five-year planning period, and this Consolidated Plan for FY2013 – FY2017 will become effective in April 2013. In addition to the Consolidated Plan, the State prepares an annual Action Plan. For FY2013, the Action Plan will also become effective in April 2013.

The State's housing, community development, and economic development needs are outlined in the Consolidated Plan; the intended uses that are described in the Action Plan are designed to address those needs. The Consolidated Plan also contains information relevant to lead-based paint, project monitoring, citizen participation, fair housing, and performance measures.

Objectives and Outcomes

The State must report performance measures for all programs included in the Consolidated Plan. The standard objectives for all of these programs are 1) decent, affordable housing, 2) suitable living environment, and 3) economic opportunities. These are met via the outcomes of availability/accessibility, affordability, and sustainability.

The outcomes that the State seeks to address with these programs are: availability/accessibility of decent housing, affordability of decent housing, availability/accessibility of suitable living environment, affordability of decent living environment, sustainability of suitable living environment, and availability/accessibility of economic opportunity. These will be addressed by program as follows:

- Affordability of decent housing will be addressed via HOME, HOPWA and ESG.
- Availability/accessibility of suitable living environment will be addressed via CDBG.
- Affordability of suitable living environment will be addressed via CDBG.
- Sustainability of suitable living environment will be addressed via ESG and CDBG.

- Availability of economic opportunity will be addressed via CDBG.
- In addition, availability/accessibility of decent housing will be addressed via the State Continuum of Care.

Evaluation of past performance

Summary of 2008-2012 Missouri Annual Objectives

DH-1 Availability/Accessibility of Decent Housing						
OBJ	**Source of Funds**	**Performance Indicators**	**Year**	**Expected Number**	**Actual Number**	**Percent Completed**
DH-1	CDBG	Number of people provided with new or improved affordability of decent housing by offering assistance for the acquisition/rehabilitation or rental/homeownership units for LMI households	2008	75	263	
			2009	75	540	
			2010	75	157	
			2011	75	354	
			2012	75		
	CoC	Number of permanent housing units for homeless persons and families; number of permanent housing units for the chronically homeless	2008	58	86	
			2009	58	88	
			2010	58	84	
			2011	58	97	
			2012	58		
DH-2 Affordability of Decent Housing						
OBJ	**Source of Funds**	**Performance Indicators**	**Year**	**Expected Number**	**Actual Number**	**Percent Completed**
DH-2	HOME	Number of Low-Income, First Time Homebuyers with incomes that do not exceed 80% of the Area Median receiving downpayment/closing costs	2008	120	21	100%
			2009	9	9	100%
			2010			
			2011			
			2012			
		Number of households provided with new or improved affordability of decent housing through rental production of new and rehabbed units for Low and Very-Low income households	2008	148	251	100%
			2009	100	347	100%
			2010	140	361	100%
			2011	120	261	75%
			2012	120		
		Number of housing units brought up to local codes or standards by providing forgivable loans to households with incomes that do not exceed 80% of the Area Median for home repair, weatherization, lead abatement and accessibility improvement	2008	100	195	100%
			2009	180	298	100%
			2010	230	262	100%
			2011	195	209	100%
			2012	95		
	ESG	Number of adults and children that received assistance to prevent homelessness	2008	7000	7964	
			2009	8000	9057	
			2010	11383	7909	
			2011	7000	4704	
			2012	7000		
	HOPWA	Number of persons with AIDS provided with availability of decent housing through short-term rent or mortgage and utility assistance	2008	160	381	
			2009	155	144	
			2010	150	124	
			2011	145		

			2012	140		
SL-1 Availability/Accessibility of Suitable Living Environments						
OBJ	**Sources of Funds**	**Performance Indicators**	**Year**	**Expected Number**	**Actual Number**	**Percent Completed**
SL-1	CDBG	Number of people with new or improved accessibility, availability or quality of suitable living environments through construction/rehabilitation of public facilities to benefit geographic areas with an LMI percentage of 51% or higher	2008	20,000	49,731	
			2009	20,000	7,751	
			2010	20,000	27,175	
			2011	20,000	52,248	
			2012	20,000		
SL-2 Affordability of Suitable Living Environments						
OBJ	**Sources of Funds**	**Performance Indicators**	**Year**	**Expected Number**	**Actual Number**	**Percent Completed**
SL-2	CDBG	Number of people provided with new or improved affordability of suitable living environments by providing targeted assistance as part of water and wastewater public facilities for LMI households	2008	20,000	21,893	
			2009	20,000	8,178	
			2010	20,000	11,763	
			2011	20,000	19,382	
			2012	20,000		
SL-3 Sustainability of Suitable Living Environments						
OBJ	**Sources of Funds**	**Performance Indicators**	**Year**	**Expected Number**	**Actual Number**	**Percent Completed**
SL-3	CDBG	Number of people provided with new or improved sustainability of suitable living environments through slum and blight reduction, emergency assistance and other rehabilitation of existing public facilities in LMI areas; Number of units demolished to eliminate slum and blight	2008	30,600	91,461	
			2009	50,000	69,137	
			2010	50,000	86,360	
			2011	50,000	108,391	
			2012	50,000		
	ESG	Number of homeless adults and children given overnight shelter	2008	17,000	19,172	
			2009	17,000	17,338	
			2010	27,776	21,013	
			2011	17,000	8,453	
			2012	17,000		
EO-1 Availability/Accessibility of Economic Opportunity						
OBJ	**Sources of Funds**	**Performance Indicators**	**Year**	**Expected Number**	**Actual Number**	**Percent Completed**
EO-1	CDBG	Number of people provided with new or improved availability/accessibility of economic opportunity through job creation, retention and business infrastructure assistance to for-profit companies	2008	500	591	
			2009	500	452	
			2010	500	102	
			2011	500	400	
			2012	500		

The Process

Consultation

Summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies

The Governor's Committee to End Homelessness (GCEH) was established in 1987 with a mission to promote public and private coordination and collaboration, develop new strategies to evaluate and reallocate resources, remove barriers to accessing services, evaluate unmet needs and provide supportive services and affordable housing needs, implement effective solutions to build economic security and promote and support activities that prevent homelessness. The GCEH is a Governor appointed committee consisting of state departments, non-profit agencies, eight Continua of Care (CoC), and formerly homeless citizens. The GCEH provides the coordination for the Balance of State (BoS) CoC, homelessness awareness activities in Missouri and legislative policy in relation to ending homelessness.

MHDC applied for the HUD 811 Demo program, which requires increased coordination among public organizations, property owners and managers, and governmental health, mental health and service agencies. The process of applying for the funds inherently raised awareness and made those much needed connections between services and housing. MHDC also established a 33% special needs housing priority in our Qualified Allocation Plan (QAP). To qualify for the priority, property developers must have firm agreements with local service providers. Finally, MHDC sponsors an annual special needs housing summit in collaboration with Missouri's Department of Mental Health. This summit provides opportunities for MHDC to educate other government agencies, developers, and service providers of our programs including special needs housing, homelessness, HOME and rental production.

Coordination with the Continuum of Care

Missouri supports eight Continua of Care (CoC): Springfield, St. Joseph, Kansas City, St. Louis City, St. Louis County, Joplin, St. Charles and Balance of State. Each continuum in Missouri holds an appointed seat on the Governor's Committee to End Homelessness (GCEH) and is responsible for developing and implementing a 10-year plan to end homelessness within their own communities. The GCEH provides oversight of each plan and supports a statewide plan to end homelessness. Each 10-year plan includes specific goals surrounding ending chronic homelessness for families and individuals, families with children, veterans and their families, and unaccompanied youth. The GCEH also coordinates an annual Homelessness Awareness Day at the state capitol building in Jefferson City. This day brings state agencies, service providers, elected officials and constituents together to raise awareness about homelessness issues.

The GCEH implemented a statewide discharge policy in December of 2011. The policy states that every effort will be made to secure housing for our citizens released from public facilities and supports the assertion that discharging our citizens into homelessness is unacceptable. More specifically, the policy addresses discharge policies for health care facilities, mental health facilities and foster care and other youth facilities.

MHDC has historically published a homeless study for the purpose of coordination among service providers and data collection. MHDC has committed to doing at least one Study during the term of this Consolidated Plan. This study compiles information from all of the CoC's across the state including their Point-In-Time Count (PITC) numbers and information from their HMIS systems. This study allows us to form a statewide picture of homelessness in our state that was previously impossible due to the multiple HMIS systems across the state.

Consultation with the Continuum(s) of Care to determine how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

The Department of Social Services held a conference call with the lead agency for each Continuum of Care in Missouri in order to receive the second allocation of 2011 ESG funds. The conference call was intended to determine the allocation of ESG funds, develop performance standards, evaluate outcome, and address the administration of HMIS. The feedback from this conference call was applied to the second allocation of 2011 and 2012 funds. In response to the increased required coordination between the CoC and ESG programs Missouri intends to develop an advisory committee with representation from each Missouri CoC to create formal policies regarding ESG allocations, performance standards, and HMIS policies and procedures.

Agencies, groups, organizations and others who participated in the process

MHDC analyzed all housing data included in the Consolidated Plan, wrote all corresponding narratives and participated in all public hearings. MHDC interviewed public housing authority representatives, consulted with the National Lead Information Center, and sought guidance from the National Council of State Housing Agencies. Additionally, all eight CoCs in the state of Missouri contributed data to the state homelessness study, which is used throughout the Consolidated Plan.

The Department of Economic Development, in conjunction with private and public partners, has developed the Strategic Initiative for Economic Growth. In addition, the Department consults regularly with the state's regional planning commissions concerning the needs of their areas.

Agencies not consulted

When developing the Consolidated Plan, MHDC consulted with all agencies that we felt would provide relevant information for the plan. The state of Missouri has over one-hundred public housing agencies and does not have one agency that oversees all of these agencies. Contacting all agencies would not have been feasible, but we did attempt to compile a representative sample by interviewing agencies throughout the state.

Other local/regional/state/federal planning efforts considered when preparing the Plan

MHDC conducts Regional Housing Team Meetings on a quarterly basis throughout the state. These meetings are held to receive local input from planning commissions, housing authorities, local homeless providers and interested parties. On a regional basis, MHDC attends conferences with other states to learn best practices. On a state level, the GCEH, as stated earlier, provides the oversight of homeless assistance program planning. Lastly, MHDC participates in federal planning activities with the United States Interagency Council on Homelessness and the National Alliance to End Homelessness.

MHDC coordinates a statewide Missouri Homeless Study. This study combines homeless information from the eight CoC's across the state, including their PITC numbers and HMIS data. Currently, this Study provides the most complete information regarding homelessness across the state.

The Department of Economic Development canvassed the states' regional planning commissions concerning public facility and infrastructure needs in their regions.

The State's efforts to coordinate with units of general local government in the implementation of its Consolidated Plan

The State encourages local governments to participate in, and comment on, the Consolidated Plan process. Local governments are informed of the Consolidated Plan process in several ways, including via the state's regional planning commissions and councils of local government, the Missouri Association of Counties and the Missouri Municipal League. The Department of Economic Development (DED) also collects data on local needs and assets via a needs assessment process which is required as part of a state CDBG application. The DED also meets regularly with the regional planning commissions and councils of local government to help determine local government needs and priorities.

Through the multi-family allocation and Consolidated Plan process, MHDC seeks the input from local residents and elected officials. Also, elected officials from cities and/or counties that have multiple funding proposals provide their own recommendation input.

Citizen Participation

The state of Missouri constructs a thorough citizen participation plan that encourages citizens to participate in the development of the five-year consolidated plan and annual action plans. The citizen participation plan was developed in accordance with the requirements listed in 24 CFR Part 91.115 (Citizen Participation Plan for States). The plan provides citizens (including minorities, the disabled and non-English speaking persons), units of local government, and other interested parties a reasonable opportunity to comment on the plan and encourages them to do so.

Development of Consolidated Plan

1. Public notification before publication: Before the State adopts the consolidated plan, citizens, public agencies and other interested parties are given access to information about the programs involved in the plan, including the amount of assistance the State expects to receive and the range of activities that may be undertaken, including the estimated amount that will benefit persons of low-to-moderate income and the plans to minimize displacement of persons and to assist any persons displaced. Before the draft 2013 -2017 Consolidated Plan was published, the State held an informational meeting on September 20, 2012 to inform the public of the plan to assess the housing and community development needs of the non-entitlement areas of the state. Notification of this meeting was provided to partner public agencies, units of local government, and other interested parties. The notification described the state agencies and programs involved in the Consolidated Plan process, as well as a brief description of information required for the plan and the public's role at the meeting. The meeting also described the publication process of the Plan and the future opportunities for public input. Details of that meeting are addressed elsewhere in this report.

2. Publishing the plan with reasonable opportunity for public review: The State makes every effort to publish the proposed consolidated plan in a manner that affords citizens, units of general local governments, public agencies, and other interested parties a reasonable opportunity to examine its contents and to submit comments. To do this, the draft Consolidated Plan and draft Annual Action Plan were published and made available to the public on or around December 1, 2012. The plan was available on the DED website (www.ded.mo.gov) and the MHDC website (www.mhdc.com). To notify the public of the plans' availability, public notification was provided via state agency websites and email listing the locations where the plans would be available as well as a schedule of upcoming public hearings. The announcement also explained that interested parties are given a reasonable opportunity to examine the contents of the plans and submit comments, as the State would also provide a copy of the plans to

interested parties upon request and to those that attend a public hearing. Comments would be accepted until January 15, 2013 (45 day time period). A press release was also issued statewide, notifying the public of the Consolidated Plan process, the opportunity to review the plan, and the schedule of public hearings.

3. Public hearing before plan is published for comment: The state conducted an information meeting before the proposed draft consolidated plan was published to discuss the housing and community development needs with interested persons. The meeting, as described below, was scheduled at a time and location convenient to potential and actual beneficiaries and with accommodations for persons with disabilities. Notification of this meeting was made available approximately three weeks prior to the hearing.

   The meeting conducted on September 20, 2012, took place at the Harry S Truman Building in Jefferson City, Missouri, which is centrally located in the state and ADA accessible. There were no non-English speaking attendees at the hearing but in the event that non-English speaking persons were in attendance, the State was/is prepared to meet their needs so they are able to participate. Those in attendance received information about how the State planned on assembling the data for the Plan, as well as handouts detailing the projected budgets and activities anticipated by the programs covered by the plan: Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Continuum of Care (CoC), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). Attendees were asked to consider the information presented and offer comments or suggestions in the manner of their choice.

4. Time period for comments: The State provides approximately 45 days to receive comments from citizens and units of local government on the consolidated plan, as the plan is made available in early December and comments and questions are accepted until January 15. During that time period, the State schedules at least four public hearings around the state to distribute copies of the plan and discuss the plan with the public. The public hearings give the state the opportunity to present the content of the Consolidated Plan, the Action Plan, and receive and record comments from the public. All public hearing meeting places are scheduled in handicapped accessible meeting rooms and provisions for interpretation shall be made at all public hearings for non-English speaking residents if needed.

5. The FY13 Public Hearing schedule is as follows:

Brookfield – December 4, 2012 Fire Dept. Meeting Room 116 W. Brooks 10 a.m. – 12 p.m.	Jefferson City – December 4, 2012 Harry S Truman Building, Room 850 301 W. High Street 3 p.m. – 5 p.m.
Springfield – December 5, 2012 Missouri Career Center 2900 E. Sunshine 10 a.m. – 12 p.m.	Cape Girardeau – December 6, 2012 Osage Center 1625 N. Kingshighway 9 a.m. – 11 a.m.

6. Consideration of comments: The State considers any comments or views of citizens and units of general local government received in writing or orally at the public hearings, in preparing the final consolidated plan. A summary of these comments, including those not accepted and reasons therefore, will be attached to the final consolidated plan.

Performance Reports

1. The State provides reasonable notice and an opportunity to comment on performance reports made by the programs involved with the Consolidated Plan. Data contained in the performance reports is compiled and sent out approximately two months after the end of the program year. Copies of the actual performance reports are mailed to 20 different public agencies around the state, and notice of the performance report availability is made via mail to the Consolidated Plan mailing list. The public is given a 30 day comment period, and then the performance reports are submitted to HUD no later than June 1.
2. Comments received on the performance reports are recorded, and a summary of the comments is attached to the performance report.

Requirements for Local Governments Receiving CDBG Funds

1. Recipients of CDBG funds must comply with the State Citizen Participation Plan requirements as found in 24 CFR 570. All applicants and recipients of grant/loan funds shall be required to conduct all aspects of the program in an open manner with access to records on the proposed and actual use of funds for all interested persons. All records of applications and grants must be kept at the recipient's offices and be available during normal business hours. Any activity of the Grantee regarding the CDBG project, with the exception of confidential matters relating to housing and economic

development programs, shall be open to examination by all citizens.

2. The applicant/recipient must provide technical assistance to groups representative of persons of low and moderate income that request such assistance in developing proposals at the level of expertise available at governing offices. All application materials and instructions shall be provided at no cost to any such group requesting them.

   Citizens shall be provided adequate and timely information, so as to enable them to be meaningfully involved in important decisions at the various stages of the program, including at least 1) the determination of needs, 2) the review of the proposed activities, and 3) the review of past program performance, in the following manner:

   a. At least two public hearings shall be scheduled at times and locations felt to be most likely to make it possible for the majority of interested persons to attend without undue inconvenience, addressing the three items above. At least one hearing must be held to address items (1) and (2) above prior to the submission of the application for housing and/or non-housing needs. Item 3 must be addressed in a public hearing to review performance of the recipient in a previous program and must occur prior to closeout of any loan or grant for which performance evaluation has not occurred in a previous hearing.
   b. Notification of any and all hearings shall be given a minimum of five full days in advance to allow citizens the opportunity to schedule their attendance. Notification shall be in the form of display advertisements in the local newspaper with the greatest distribution. Additional advertisement may be conducted by posting letters, flyers and any other forms which seem practical; however, publication is required. All hearings must be accessible to handicapped persons. Provisions for interpretation shall be made at all public hearings for non-English speaking residents if such residents are expected to be in attendance.

   The chief elected official's office shall receive and relate to appropriate persons or groups any views or proposals submitted to aforesaid office within the decision making time. Any criticism submitted in writing at any time should be answered in writing within fifteen working days by the chief elected official's office. If the complaint is not resolved, it shall be referred to the governing body for final disposition.

Availability to the Public

The State will provide the Consolidated Plan, as adopted, substantial amendments, and the performance reports to the public, including materials in a form accessible to persons with disabilities, upon request. These documents are made available to the public electronically at www.ded.mo.gov and www.mhdc.com. The consolidated plan, annual action plan and amendments are also distributed at public hearings. All documents related to the consolidated plan are available upon request and will be provided to anyone requesting them.

Access to Records

Citizens, public agencies and other interested parties are given reasonable and timely access to the information and records relating to the State's Consolidated Plan and the State's use of assistance under the programs covered by the plan. Presentation materials, resources used to compile the information in the plan, comments compiled at public hearings, and all other related materials are available to the public upon request.

Complaints

To comply with the requirements regarding complaints, the State has designated an appropriate and practicable procedure to handle complaints from citizens related to the consolidated plan, amendments, and performance reports. Upon receiving a complaint, the State will provide a timely, substantive written response to written citizen complains within a fifteen working day time period.

Needs Assessment

Needs Assessment Overview

The Housing Needs Assessment section shows that households at all income levels and household types are burdened with housing problems such as lacking kitchens or bathrooms, overcrowding, and cost burdens.

The data presented here suggests that for Missouri citizens, one of the most urgent needs is the availability of more affordable housing units. 2012 data from The Center for Housing Policy states that "for all households, including homeowners…housing and transportation together consumed an average of 48% of a households' income."

That same data compared the rise in housing costs to the rise in income by metropolitan area and found that in the St. Louis MSA, incomes rose 22% (2000-2010) while housing and transportation costs rose by 39%; housing costs were responsible for more than ½ of that 39%

rise. Data from the Joint Center for Housing Studies at Harvard University, "The State of the Nation's Housing 2012" suggests that the number of households considered severely burdened (paying more than 50% of household income towards housing) continues to rise – "Between 2001 and 2010, the number of severely burdened households climbed by a staggering 6.4 million." Cost burden is undoubtedly a widespread housing problem: according to the Cost Burden chart in the Housing Needs Summary section, 22% of all households in the state pay over 30% of their income on housing costs. The data below and throughout this report, supports the idea that more people are paying more of their income towards housing; precipitating a need for more affordable housing throughout the state.

In the Disproportionately Greater Need sections, we show that Missouri's lowest income households have the majority of housing and severe housing problems. The data reinforces the well-established connection between poverty and housing insecurity.

With respect to Public Housing data, MHDC does not manage or oversee funds at any of the 100+ Public Housing Authorities throughout the state. MHDC acts as the Performance Based Contract Administrator (PBCA) for the state; the questions addressed throughout this section are from the perspective of those properties.

The Homelessness Needs Assessment section looks at the needs of homeless households and those in danger of becoming homeless throughout the state. Specifically, information on rural homelessness, families with children, and families with veterans are addressed. This section also addresses how, although difficult to quantify, households are "doubled-up." This housing trend continues to be a problem through-out the rural parts of the state.

There exist two non-housing priority areas in the state of Missouri. They are infrastructure (including water and wastewater, and transportation) and economic development (including access to capital, equipment, location and workers). These needs were assessed by a careful analysis of funding applications submitted in to state CDBG program over the past 5 years, in addition to a survey of Regional Planning Commissions. Additionally, our partners at the Missouri Department of Natural Resources and Missouri Department of Transportation provide invaluable resources and feedback regarding public improvement needs in the state.

Housing Needs Assessment

Summary of Housing Needs

Below is a snap shot of the housing situation in the state of Missouri. As the data shows, households at all income levels and household types are burdened with housing problems such as lacking kitchens or bathrooms, overcrowding, and cost burdens. The data tables in this

section details the housing burdens by housing type, and it splits up the information between renter and homeowner households.

Demographics

Demographics	Base Year: 2000	Most Recent Year: 2010	% Change
Population	5,595,211	5,988,927	7%
Households	2,194,594	2,349,955	7%
Median Income	$46,044.00	$ 46,262.00	0.50%

Number of Households

Total Households	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Small Family Households	281,355	278,815	419,595	1,342,470	
Large Family Households	85,250	84,915	150,812	730,845	
Household contains at least one person 62-74 years of age	15,875	16,930	31,395	109,665	
Household contains at least one person age 75 or older	39,010	51,155	76,475	45,820	165,905
Households with one or more children 6 years old or younger	50,915	45,035	69,205	207,760	

Housing Problems

	Renter					Owner				
Housing Problems	**0-30% HAMFI**	**>30-50% HAMFI**	**>50-80% HAMFI**	**>80-100% HAMFI**	**Total**	**0-30% HAMFI**	**>30-50% HAMFI**	**>50-80% HAMFI**	**>80-100% HAMFI**	**Total**
Number of Households	179,655	135,520	155,185	218,840	**689,200**	101,700	143,295	264,410	1,123,630	**1,633,035**
Substandard Housing - Lacking complete plumbing or kitchen facilities	3,120	1,900	1,535	635	**7,190**	1,850	1,535	1,710	935	**6,030**
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	1,255	845	1,005	465	**3,570**	255	385	420	215	**1,275**

Overcrowded - With 1.01 - 1.5 people per room (and none of the above problems)	4,380	3,450	3,505	1,405	**12,740**	1,115	1,825	3,460	1,995	**8,395**
Housing cost burden greater than 50% of income (and none of the above problems)	104,325	26,190	4,305	415	**135,235**	56,380	3,395	23,300	5,370	**88,445**
Housing cost burden greater than 30% of income (and none of the above problems)	25,580	62,700	37,420	4,140	**129,840**	19,985	37,105	74,560	36,415	**168,065**
Zero/negative income (and none of the above problems)	10,860				**10,860**	1,075				**1,075**

Housing Problems 2

	Renter					Owner				
Housing Problems 2 (Households with one or more housing problems: lacks kitchen or bathroom, overcrowding, cost burden)	**0-30% HAMFI**	**>30-50% HAMFI**	**>50-80% HAMFI**	**>80-100% HAMFI**	**Total**	**0-30% HAMFI**	**>30-50% HAMFI**	**>50-80% HAMFI**	**>80-100% HAMFI**	**Total**
Number of households	179,655	135,520	155,185	218,840	**689,200**	101,700	143,295	264,410	1,123,630	**1,633,035**
Having 1 or more of four housing problems	113,080	32,385	10,350	2,920	**158,735**	59,600	37,445	28,890	8,515	**134,450**
having none of four housing problems	55,715	103,135	144,835	70,080	**373,765**	35,085	105,855	235,520	178,410	**554,870**
household has negative income, but none of the other housing problems	10,860				**10,860**	7,015				**7,015**

Cost Burden >30%

	Renter				Owner			
Cost Burden >30%	**0-30% HAMFI**	**>30-50% HAMFI**	**>50-80% HAMFI**	**Total**	**0-30% HAMFI**	**>30-50% HAMFI**	**>50-80% HAMFI**	**Total**
Number of households	179,655	135,520	155,185	**470,360**	101,700	143,295	264,410	**509,405**
Small Related	49,330	34,715	15,590	**99,635**	20,265	24,710	42,460	**87,435**
Large Related	8,770	5,580	2,225	**16,575**	4,525	5,760	9,395	**19,680**
Elderly	22,585	17,605	7,550	**47,740**	34,905	28,640	22,450	**85,995**
Other	56,195	34,725	17,285	**108,205**	18,800	13,450	21,900	**54,150**
Total need by income	**136,880**	**92,625**	**42,650**	**272,155**	**78,495**	**72,560**	**96,205**	**247,260**

Cost Burden >50%

	Renter				Owner			
Cost Burden >50%	**0-30% HAMFI**	**>30-50% HAMFI**	**>50-80% HAMFI**	**Total**	**0-30% HAMFI**	**>30-50% HAMFI**	**>50-80% HAMFI**	**Total**
Number of households	179,655	135,520	155,185	**470,360**	101,700	143,295	264,410	**509,405**
Small Related	41,575	9,200	915	**51,690**	17,185	12,630	9,445	**39,260**
Large Related	7,015	970	55	**8,040**	3,750	2,390	1,705	**7,845**
Elderly	14,660	6,380	2,145	**23,185**	21,215	11,340	6,775	**39,330**
Other	46,310	10,400	1,415	**58,125**	15,785	7,995	5,535	**29,315**
Total need by income	**109,560**	**26,950**	**4,530**	**141,040**	**57,935**	**34,355**	**23,460**	**115,750**

Crowding

	Renter					Owner				
Crowding (More than one person per room)	**0-30% HAMFI**	**>30-50% HAMFI**	**>50-80% HAMFI**	**>80-100% HAMFI**	**Total**	**0-30% HAMFI**	**>30-50% HAMFI**	**>50-80% HAMFI**	**>80-100% HAMFI**	**Total**
Number of households	179,655	135,520	155,185	218,840	**689,200**	101,700	143,295	264,410	1,123,630	**1,633,035**
single family households	4,845	3,630	3,805	1,385	**13,665**	1,400	1,720	3,100	1,590	**7,810**
multiple, unrelated family households	610	550	470	420	**2,050**	209	595	795	650	**2,249**
other, non-family households	355	170	330	95	**950**	10	25	90	10	**135**
total need by income	**5,810**	**4,350**	**4,605**	**1,900**	**16,665**	**1,619**	**2,340**	**3,985**	**2,250**	**10,194**

Households with Children Present

	Renter					Owner				
Households with children present	**0-30% HAMFI**	**>30-50% HAMFI**	**>50-80% HAMFI**	**>80-100% HAMFI**	**Total**	**0-30% HAMFI**	**>30-50% HAMFI**	**>50-80% HAMFI**	**>80-100% HAMFI**	**Total**
	40,000	28,505	31,040	32,900	**132,445**	10,915	16,530	38,165	174,860	**240,470**

Missouri's most common housing problems

Overwhelmingly, Missouri's most common housing problem is cost burden. According to the "Housing Cost Burden >50%" chart a full 26% of all households at or below 80% of HAMFI pay over 50% of their income on housing costs – rent and mortgage. While households face other housing problems, cost burden affects ten times more households than the next most prevalent

issue – overcrowding. Through the HOME Program, state and federal Low Income Housing Tax Credits, and other federal, state, and local funding sources, Missouri works to address cost burden through homeowner rehabilitation, low-interest home loans and to provide affordable housing to all Missourians.

Additionally, common housing problems that have been identified as barriers to housing by the state CoC and the Emergency Solutions grant include transportation (specifically in rural areas), mental illness, substance abuse, domestic violence, housing stock, veterans, homeless youth, access to documentation, doubled-up individuals and families, ex-offenders, individuals and families with disabilities, and employment.

Populations/household types affected

Based on the 2005-2009 CHAS data, elderly households are disproportionately impacted by housing cost burden. The "Cost Burden >30%" chart shows 24% of senior households pay more than 30% of their income on household, while 8% and 3% of small and large households respectively pay such a high rate. Affordable housing for elderly households is currently a priority for MHDC's QAP. The CHAS data does not look at cost burden levels of households with one or more children 6 years old or younger, so this discussion cannot comment on the percentage of such cost burdened households. Also, the data in this section looks at the whole state of Missouri; it does not differentiate among the various regions of the state.

MHDC has identified a statewide need for housing within special needs populations, specifically households with disabilities, households with mental illness, households experiencing homelessness and youth aging out of foster care.

Characteristics and needs of Low-Income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered (91.205(c)/91.305(c)).

The BoS CoC, administered by MHDC, supports 101 counties that are considered rural counties; in these rural counties, we often see families who are "doubled-up". Many families are living with friends and family and are at imminent risk of becoming homeless; these families are often "doubled-up" due to lack of employment, a change in family make up or sub-standard housing. The federal and state homeless assistance programs are moving toward policies that permanently house these citizens and remove the risk of homelessness.

Although the program is no longer available, Homeless Prevention Rapid Re-Housing Program (HPRP) in Missouri served 19,107 households that were in imminent danger of homelessness in the absence of other housing assistance. The characteristics of these households were families who were entering homelessness for the first time, due to loss of job or being underemployed.

MHDC has recently adjusted its statewide grant program, the Missouri Housing Trust Fund, to meet the permanent housing needs of families, rather than traditional transitional housing programs and those nearing the termination of HPRP assistance.

Particular housing characteristics that have been linked with instability and an increased risk of homelessness

The connection between substandard housing and low income households / households that are at risk of becoming homeless is one that has been well explored. It is this connection that provides the basis for new housing programs. The HPRP program looks to provide long-term assistance to families who would otherwise, be homeless. The Missouri Housing Trust Fund is prioritizing programs that provide permanent housing solutions versus the transitional housing model. MHDC's 33% priority on producing affordable rental housing for special needs individuals is the most aggressive in the country. All of these programs have at their core, a belief that by providing at-risk households – individuals living with mental illness, adults living with developmental and physical disabilities, households that have multiple barriers to independence, households that may have experienced periods of homelessness before – supportive services and long term housing assistance, the probability of keeping those individuals permanently housed increases. The strategy is to reduce the instability to the degree that it is possible, and ultimately, eliminate homelessness.

Housing Needs – Further Discussion

The data examined here reflects the most pressing housing need for Missouri's low and moderate income households; the availability of more affordable housing. 2012 data from The Center for Housing Policy states that "for all households, including homeowners…housing and transportation together consumed an average of 48% of a households' income." That same data compared the rise in housing costs to the rise in income by metropolitan area and found that in the St. Louis MSA, incomes rose 22% (2000-2010) while housing and transportation costs rose by 39%; housing costs were responsible for more than ½ of that 39% rise. Data from the Joint Center for Housing Studies at Harvard University, "The State of the Nation's Housing 2012" suggests that the number of households considered severely burdened (paying more than 50% of household income towards housing) continues to rise – "Between 2001 and 2010, the number of severely burdened households climbed by a staggering 6.4 million." The data throughout this report supports the idea that more people are paying more of their income towards housing; precipitating a need for more affordable housing throughout the state. As the state housing finance agency, MHDC is dedicated to strengthening communities and the lives of Missourians through the financing, development and preservation of affordable housing.

Disproportionately Greater Need: Housing Problems

Introduction

Review of the American Community Survey data presented below suggests that Missouri's lowest income households (0-30% AMI) report the majority of housing problems – 218,245 report having one or more of the four housing problems recognized by HUD. Of that population, White households are predominantly affected – 149,760 having one or more of the housing problems recognized by HUD. By comparison, Black/African American households in the lowest income tier report 52,865 households with one or more housing problems, 7,035 Hispanic households report one or more problems, 2,730 Asian households report the same with American Indians and Pacific Islanders reporting 1,345 and 110 respectively. When considering that disproportionate need exists when a percentage of people in need are at least ten percentage points higher than the percentage of people as a whole, both white and black households in the lowest income tier meet that threshold – reporting one or more of the four housing problems recognized by HUD.

0%-30% of Area Median Income

0% - 30% of Area Median Income

Housing Problem	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	218,245	45,230	18,545
white	149,760	34,680	11,955
Black/African American	52,865	8,000	4,765
Asian	2,730	245	835
American Indian, Alaska Native	1,345	460	95
Pacific Islander	110	30	10
Hispanic	7,035	945	600

30%-50% of Area Median Income

30% - 50% of Area Median Income

Housing Problem	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	169,635	109,180	N/A
White	125,980	93,355	N/A

Black/African American	31,645	11,325	N/A
Asian	1,925	695	N/A
American Indian, Alaska Native	1,100	430	N/A
Pacific Islander	210	84	N/A
Hispanic	5,990	1,940	N/A

50%-80% of Area Median Income

50% - 80% of Area Median Income

Housing Problem	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	148,220	271,375	N/A
White	118,100	229,205	N/A
Black/African American	20,965	28,635	N/A
Asian	1,980	2,400	N/A
American Indian, Alaska Native	645	970	N/A
Pacific Islander	80	90	N/A
Hispanic	4,080	6,300	N/A

80%-100% of Area Median Income –

80% - 100% of Area Median Income

Housing Problem	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	51,995	207,930	N/A
White	44,190	179,455	N/A
Black/African American	4,830	18,875	N/A
Asian	1,070	2,085	N/A
American Indian, Alaska Native	155	855	N/A
Pacific Islander	95	105	N/A
Hispanic	1,055	4,475	N/A

Discussion

The data cited above seems to reinforce the suggestion that Missouri's lowest income households encounter the greatest number of housing problems more often than households earning more. For the entire jurisdiction, 218,245 households in the lowest income tier (0%-30% AMI) report one or more housing problems recognized by HUD compared to the 51,995 households in the highest income tier (80%-100% AMI) reporting the same. This coupling is not new; the connection between poverty and housing insecurity is well established. In 2010, there were 110 counties in Missouri with a poverty rate over 10%. To provide a reference, 14.0% of people were living below the poverty level in 2006-2010 statewide, slightly above the national rate of 13.8%, and the median income for Missouri households was $46,262. With this data in mind, future housing plans should take into account the poverty rate for the county, how that rate has changed, and what activity has taken place with regard to the production of affordable housing in the community. MHDC currently tracks units by type, population, location; referencing a county's poverty status, and how that changes, could help identify need more easily. The provision and upkeep of adequate, affordable housing is critical to remedying the long standing link between low income households and substandard housing.

Disproportionately Greater Need: Severe Housing Problems

Introduction

Review of the American Community Survey data presented below suggests that Missouri's lowest income households (0-30% AMI) report the majority of severe housing problems – 172,680 report having one or more of the four housing problems recognized by HUD. Of that population, White households are predominantly affected – 116,775 having one or more of the four housing problems recognized by HUD. By comparison, Black/African American households in the lowest income tier report 43,005 households with one or more housing problems, 5,785 Hispanic households report one or more problems, 2,395 Asian households report the same with American Indians and Pacific Islanders reporting 1,100 and 110 respectively. When considering that disproportionate need exists when a percentage of people in need are at least ten percentage points higher than the percentage of people as a whole, both White and Black households in the lowest income tier meet that threshold – reporting one or more of the four housing problems recognized by HUD.

0%-30% of Area Median Income –

0% - 30% of Area Median Income

Severe Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	172,680	90,800	18,545
White	116,775	67,660	11,955
Black/African American	43,005	17,860	4,765
Asian	2,395	580	835
American Indian, Alaska Native	1,100	710	95
Pacific Islander	110	30	10
Hispanic	5,785	2,200	600

30%-50% of Area Median Income –

30% - 50% of Area Median Income

Severe Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	69,830	208,990	N/A
White	51,345	167,990	N/A
Black/African American	12,665	30,300	N/A
Asian	1,000	1,625	N/A
American Indian, Alaska Native	555	975	N/A
Pacific Islander	95	199	N/A
Hispanic	3,020	4,910	N/A

50%-80% of Area Median Income –

50% - 80% of Area Median Income

Severe Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	39,240	380,355	N/A
White	31,285	316,020	N/A
Black/African American	4,625	44,970	N/A

Asian	710	3,665	N/A
American Indian, Alaska Native	200	1,420	N/A
Pacific Islander	80	90	N/A
Hispanic	1,495	8,880	N/A

80%-100% of Area Median Income –

80% - 100% of Area Median Income

Severe Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	11,435	248,490	N/A
White	9,400	214,245	N/A
Black/African American	890	22,815	N/A
Asian	350	2,800	N/A
American Indian, Alaska Native	80	935	N/A
Pacific Islander	75	125	N/A
Hispanic	460	5,070	N/A

Discussion

The key component to determining the severity of housing problems is the cost burden – it is the difference between paying 30% of household income towards housing and paying 50% of household income. The data presented here suggests that Missouri's lowest income households represent the majority for both categories. Data from the 2011 American Community Survey states that 53% of U.S. renters paid 30% or more of their household income towards housing. Data from the Joint Center for Housing Studies at Harvard University, "The State of the Nation's Housing 2012" suggests that the number of households considered severely burdened (paying more than 50% of household income towards housing) continues to rise – "Between 2001 and 2010, the number of severely burdened households climbed by a staggering 6.4 million." Looking more closely at these households, this data shows that most of the severely cost burdened households are white, in terms of education, the most predominant category includes heads of households with only a high school diploma, older households are more affected (the rate for households ages 55-64 rose from 12% to 16% from 2000 to 2010), and households within metropolitan areas see a higher cost burden.

Disproportionately Greater Need: Housing Cost Burden

Introduction

Review of the American Community Survey data presented below suggests that Missouri's lowest income, White households report the largest share of households that are cost burdened – 147,527 households paying more than 30% of income towards housing. By comparison, Black/African American households in the lowest income bracket report 124,605 households that are cost burdened, 30,660 Hispanic households, 5,715 American Indian households and 735 Pacific Islander households.

Housing Cost Burden –

Housing Cost Burden	<=30%	30 - 50%	>50%	No/Negative income (not computed)
Jurisdiction as a whole				
White	1,475,275	285,270	193,660	11,955
Black/African American	124,605	54,150	56,875	4,765
Asian	18,455	4,450	4,040	835
American Indian, Alaska Native	5,715	1,615	1,710	95
Pacific Islander	735	185	265	10
Hispanic	30,660	9,740	7,735	600

Discussion

Data from the 2011 American Community Survey states that 53% of U.S. renters paid 30% or more of their household income towards housing. Data from the Joint Center for Housing Studies at Harvard University, "The State of the Nation's Housing 2012" suggests that the number of households considered severely burdened (paying more than 50% of household income towards housing) continues to rise – "Between 2001 and 2010, the number of severely burdened households climbed by a staggering 6.4 million." That same data shows that renters make up the lion's share of severely cost burdened households with race, education, and age affecting to an extent, the rate at which individuals are likely to fall into this category. "The State of the Nation's Housing 2012" breaks down the severely burdened households in 2010 by income bracket and racial composition: For those households making $15,000 or less, Asian households (74%) make up the largest portion, followed by Hispanic households (73.5%), Black households (70.7%) and White households (65.1%) "Kids Count 2012" from the Annie E. Casey Foundation looks at housing cost data from the perspective of child well-being. In 2010, the percentage of children living in households with a high housing cost burden was broken down as follows: nationally, 41% of children live in such households, 53% of Black children live in

households with a high housing cost burden, followed by Hispanic children (52%), Asian children (42%), American Indian children (36%), and Non-Hispanic White children (32%).

The data presented in the tables throughout this section further illustrates the burden for Missouri's lowest income households. Taken together, the data seems to support continued investment in the development, the rehabilitation and preservation of affordable rental housing throughout the state.

Disproportionately Greater Need: Discussion

Racial or ethnic groups

2011 Census data breaks down Missouri's total ethnic and racial population as follows: 84.0% White, 11.7% Black, 0.5% American Indian and Alaska Native, 1.7% Native Hawaiian and other Pacific Islander, 1.9% persons reporting two or more races, 3.7% Hispanic or Latin American origin, and 80.8% white persons not Hispanic.

Data from ACS shows that of each of the racial/ethnic populations recorded, white households are dominant in both the cost burdened and severely cost burdened categories. For households in the lowest income tier, 149,760 white households report one or more housing problems, 52,865 Black households report the same, 7,035 Hispanic households, 2,730 Asian households and fewer than 2,000 households headed by American Indian / Alaska native / Pacific Islander individuals report one or more housing problems.

Poverty data was considered when estimating the disproportionate need within certain racial and ethnic groups. "Income, Poverty and Health Insurance Coverage in the United States: 2011" was used to examine the disparities between racial categories as they relate to poverty. In 2011, the nationwide poverty rate for Whites was 9.8%, for Blacks it was 27.6%, for Asians, that rate was 12.3%, and Hispanics saw a poverty rate of 26.5%. Real median income declined for both White households (1.4%) and Black households (2.7%) between 2010 and 2011; changes for Asian and Hispanic households were not statistically significant over this period of time. Women continue to have a higher poverty rate than men – in 2011, the rate for women was 14.6% compared to that of men at 10.9% and of the total poverty rate, 59% of poor adults are women.

Data from the U.S. Census Small Area and Poverty Estimates from 2010 was used to provide a breakdown on poverty by county. There are 110 counties, out of 115, in Missouri with more than 10% of their populations living at or below the Federal Poverty Level; 10 of those have poverty rates of 25% or higher for the county. To provide a reference, 14.0% of people were living below the poverty level in 2006-2010 statewide, slightly above the national rate of 13.8%,

and the median income for Missouri households was $46,262. Households living at or below the poverty level are undoubtedly plagued with housing cost burden issues and other housing problems. Although MHDC does not track additional housing needs, common knowledge in the state indicates transportation accessibility and proximity to schools, grocery stores and medical services are often unmet needs throughout rural Missouri.

Public Housing

Introduction

As the state housing finance agency, MHDC does not manage or oversee funds to any of the 100+ Public Housing Authorities throughout the state. We will continue to work with the Public Housing Authorities to house Missouri's low-income households to the extent that is necessary. The information below has been prepopulated, and as far as we are aware, the data accurately reflects the Public Housing Authorities' assistance programs.

MHDC acts as the Performance Based Contract Administrator for the state; the narrative questions below are answered only from the perspective of those properties.

Totals in Use –

				Vouchers					
				Total	Project-based	Tenant-Based	Special Purpose Vouchers		
	Certificate	Mod-Rehab	Public Housing				Veterans Affairs Supportive Housing	Family Unification Program	Disabled (includes non-elderly disabled, mainstream one-year, mainstream 5-year, and nursing home transition)
Vouchers in Use		63	16,407	38,059	160	36,908	245	281	241

Characteristics of Residents –

Characteristics of Residents	Cert.	Mod-Rehab	Public Housing	Vouchers				
				Total	Project-based	Tenant-Based	Special Purpose Vouchers	
							Veterans Affairs Supportive Housing	Family Unification Program
Average Annual Income		6,445	1,357,246	643,576	84,985	530,726	66,091	64,832
Average Length of Stay		4	411	191	15	184	1	45
Average Household size		1	143	96	10	95	10	20
# Homeless at admission		0	290	108	0	47	60	1

# of elderly program participants (>62)		10	4,868	4,917	85	4,756	17	7
# of disabled families		6	4,445	10,499	29	9,993	129	56
# of families requesting accessibility features		63	16,407	N/A	N/A	N/A	N/A	N/A
# of HIV/AIDS program participants								
# of DV victims								

Race of Residents –

Race of Residents	**Cert.**	**Mod-Rehab**	**Public Housing**	**Vouchers**					
				Total	**Project-based**	**Tenant-Based**	**Special Purpose Vouchers**		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled (includes non-elderly disabled, mainstream one-year, mainstream 5-year, and nursing home transition)
White		13	9,117	16,029	51	15,517	91	98	152
Black/African American		50	7,002	21,697	109	21,069	151	181	84
Asian			105	62		62			
American Indian, Alaska Native			86	170		161	2	2	4
Pacific Islander			97	101		99	1		1
Other									

Ethnicity of Residents –

Ethnicity of Residents	**Cert.**	**Mod-Rehab**	**Public Housing**	**Vouchers**					
				Total	**Project-based**	**Tenant-Based**	**Special Purpose Vouchers**		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled (includes non-elderly disabled, mainstream one-year, mainstream 5-year, and nursing home transition)
Hispanic			397	538	2	521	4	2	3
Non-Hispanic		63	16,010	37,521	158	36,387	241	279	238

Section 504 Needs Assessment: Public housing tenants and applicants on the waiting list for accessible units

MHDC does not own or operate assisted housing units directly and therefore does not maintain or oversee such waiting lists.

Number and type of families on the waiting lists for public housing and section 8 tenant-based rental assistance

MHDC does not own or operate assisted housing units directly and therefore does not maintain or oversee such waiting lists.

Needs comparable to the housing needs of the population at large

MHDC does not own or operate assisted housing units directly and therefore does not maintain or oversee such waiting lists.

Discussion

As the state housing finance agency, MHDC does not manage or oversee funds to any of the 100+ Public Housing Authorities throughout the state. We will continue to work with the Public Housing Authorities to house Missouri's low-income households to the extent that is necessary.

Homeless Needs Assessment

Introduction

The Homeless Needs Assessment section examines the state of homelessness in Missouri; however, MHDC is currently unable to estimate some of the categories of homelessness that are detailed in the chart. MHDC holds a seat on the Governor's Committee to End Homelessness which has representatives of all the Continua of Care in the state and all state agencies that work on homelessness issues. This committee gathers information and works to end homelessness in the state of Missouri.

Estimated numbers regarding type of families in need of housing assistance for families with children and the families of veterans

Population	Sheltered	Unsheltered	Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
Persons in Households with Adult(s) and Child(ren)			12,576			
Persons in Households with Only Children			4,911			
Persons in Households with Only Adults			10,562			
Chronically Homeless Individuals	977	210				
Chronically Homeless Families						

Veterans	223	48				
Unaccompanied Youth	74	7				
Persons with HIV	355	2				

Rural Homeless Population

Missouri conducts a Point-in-Time Count (PITC) every six months (January and July); reporting the number of unsheltered and sheltered homeless individuals for every county in the state. MHDC oversees the PITC for the BoS CoC, consisting of 101 counties in rural Missouri; this count includes an unsheltered and sheltered count in every county. The Balance of State (BoS) Continuum of Care (CoC) consists of 101 rural counties outside of the urban areas. In January of 2012, 1,469 people were counted unsheltered homeless and 645 people were counted as sheltered homeless. Two PITC's have been conducted in Missouri since 2008, since that time, the numbers have remained constant.

Nature and extent of unsheltered and sheltered homelessness in rural areas

As stated in the above question, 1,469 people were counted as unsheltered and 645 people were counted as sheltered in the last Missouri Balance of State Continuum of Care Point-in-Time Count. Rural homelessness in Missouri is often defined as people who are doubled-up or couch surfing; therefore, the numbers above are grossly undercounted, as these numbers only represent the HUD defined homeless. The doubled up population is very difficult to count, however, Missouri is working towards estimating this population count.

Discussion on number of persons becoming and exiting homelessness each year and number of days that persons experience homelessness

Missouri has multiple HMIS systems that capture this information and is currently working towards a data warehouse that will be able to combine this information for more accessible statewide data. Most of the information below came from the 2011 Missouri Homeless Study which combines the information from Point in Time Counts (PITC) and data from the eight HMIS systems used throughout the state.

The 2011 Missouri Homeless Study was able to compile information from seven of the eight CoC's in the state showing 5,224 individuals in families stayed in an emergency shelter, transitional housing program, or both in the 2010 calendar year; this number makes up 44% of those persons staying in emergency shelters, transitional housing programs, or both. Although this is a duplicated number and it does not specify how many families make up the total number of individuals, it still shows that homeless families are a large part of Missouri's homeless population.

MHDC does not have data on homeless veterans and their families, but the 2010 PITC showed a total of 271 homeless veterans – 223 sheltered and 48 unsheltered.

The 2010 PITC counted a total of 81 unaccompanied youth throughout the state. Unfortunately, this number is probably very low due many of the CoC's not counting this specific population in their PITC's. Only two of the eight counted the unaccompanied youth in their unsheltered counts and six of the eight in their sheltered counts. Unaccompanied youth are a target population for MHDC's special needs units, so we will continue to search for ways to get a more accurate picture of this population type.

The number of chronically homeless individuals continues to be a rising issue in the state of Missouri. From 2009 to 2010 the state saw a 44% increase in individuals counted during the Point in Time Counts totaling 1,287 individuals – 977 sheltered and 310 unsheltered.

Estimated numbers and types of families in need of housing assistance for families with children and the families of veterans

To date, Missouri does not have data extracted showing "Persons in Households with Adults(s) and Child(ren)" and "Persons in Households with Only Children." Each CoC in Missouri collects this information and reports the information in the HUD HDX reporting system. The 2011 Missouri Homeless Study was able to compile information from seven of the eight CoC's in the state showing 5,224 individuals in families stayed in an emergency shelter, transitional housing program, or both in the 2010 calendar year; this number makes up 44% of those persons staying in emergency shelters, transitional housing programs, or both. Although this is a duplicated number and it does not specify how many families make up the total number of individuals, it still shows that homeless families are a large part of Missouri's homeless population.

Data from the 2011 ACS shows Missouri's veteran population at 490,162, 48% of those veterans are male and 51% of Missouri's veterans are female. The unemployment rate for Missouri veterans is 8.5% for 2011, 28% are living with a disability, and 7.2% of our veterans report living at or below the Federal Poverty Level. The 2010 PITC showed 223 sheltered and 48 unsheltered homeless veterans in Missouri. Data from the 2010 17th Annual Progress Report CHALENG report (July 5, 2011) was used to examine identified needs for this population. Permanent housing was listed as a top ten unmet need by veterans surveyed in 2008 and 2009, and one of the top ten unmet needs reported by service providers in 2008, 2009 and 2010. The point-of-contacts surveyed reported seeing an 86% increase from the previous year in homeless veterans' families seeking assistance, from 2,368 families seen in 2009 to 4,383 families seen in

2010. In 2011, MHDC created a priority for special needs housing; creating 49 units of permanent housing for veterans and 56 units in 2012. Missouri hosts four VA hospitals in Columbia, Kansas City, St. Louis and Poplar Bluff. The VA is active in housing meetings and works in collaboration with MHDC and the GCEH to end veteran homelessness.

Nature and extent of homeless by racial and ethnic group

MHDC commissions a homeless study, assessing the extent of homelessness throughout the state. The data for homeless / racial and ethnic group was not standardized across the state; consequently, we do not have reliable data for this section.

Nature and extent of unsheltered and sheltered homelessness, including rural homelessness

MHDC conducts a homeless study every other year; providing policy makers and advocates a statewide picture of homelessness. In the State of Homelessness in Missouri, 2011 Report, over 22,000 school aged children and over 7,500 adults were counted as homeless. The homeless study gathers information from the HMIS systems and PITCs. In the January 2012 PITC, 1,469 people were reported as unsheltered, rural, homeless individuals and 645 individuals were reported as sheltered, rural and homeless.

Discussion

MHDC has a Community Initiatives Department which is tasked with drastically reducing and ultimately ending homelessness in Missouri. As a state housing finance agency, MHDC administers the Missouri Housing Trust Fund, Emergency Solutions Grant program, BoS CoC, Housing First program, HMIS funding, Disaster Relief Funding, homeless study, and Special Needs Housing priority through LIHTC. Oversight from one department (MHDC's Community Initiatives Department) for the majority of the homeless assistance programs throughout Missouri allows targeting of funds, consistency of program goals and policies and ultimately, helps end homelessness in Missouri.

<u>Non-Homeless Special Needs Assessment</u>

HOPWA

Current HOPWA formula use:	
Cumulative cases of AIDS reported	2,693
Area incidence of AIDS	74
Rate per population	3.19%
Number of new cases prior year (3 years of data)	3
Rate per population (3 years of data)	252%

Current HIV Surveillance data:	
Number of Persons living with HIV (PLWH)	2,454
Area Prevalence (PLWH per population)	91.2
Number of new HIV cases reported last year	0
Data Source	CDC HIV Surveillance

HIV Housing Need

Type of HOPWA Assistance	Estimates of Unmet Need
Tenant Based Rental Assistance	0
Short-term Rent, Mortgage, and Utility	0
Facility Based Housing (Permanent, short-term or transitional)	0

Non-Housing Community Development Needs

Statewide Need for Public Facilities

The need for public facilities in the non-entitled areas of Missouri is evidenced by the number of applications received for the "Community Facilities" category each year. Over the past five years, the state CDBG program has received 67 unduplicated applications from local entities seeking new or renovated facilities to house their service programs, totaling $16,810,222 in requested funds. More than $6.57 million (28 projects) was denied.

The types of Community Facilities for which requests are made vary greatly. However, it is clear that the need for rural fire stations and senior centers top the list, followed closely by the need for general community centers, handicapped centers (such as sheltered workshops), domestic violence shelters, and youth and child care facilities. The breakdown of funding requests for community facilities over the past five years is as follows:

Fire Stations: 18.7%
Senior Centers: 18.7%
General Community Centers: 17.3%
Handicapped Centers: 10.7%
Domestic Violence Shelters: 8.0%
Child Care Facilities: 6.7%
Youth Centers: 6.7%
Libraries: 5.3%
Heath Facilities: 5.3%
Homeless Shelters: 1.3%
Food Pantries: 1.3%

Additionally, the state's 19 Regional Planning Commissions (RPCs) were surveyed to determine if a definitive need for public facilities exists in non-entitlement areas of the state. An overwhelming 92.3% of those surveyed responded that yes, there is absolutely an extensive need for financial assistance to public service types of facilities, particularly in smaller communities. Senior Centers and Parks/Recreational Facilities ranked among the highest category of need, followed by Fire Stations/Equipment and Childcare Centers.

Need Determination for Public Facilities

A careful analysis of applications submitted in the state CDBG Community Facilities application category over the past 5 years, in addition to a survey of Regional Planning Commissions gives a clear indication of the need for public facilities. RPC staff live and work in the non-entitled communities and have a better perception of the local needs.

Statewide Need for Public Improvements

There exist two non-housing priority areas in the state of Missouri. They are infrastructure (including water and wastewater, and transportation) and economic development (including access to capital, equipment, location and workers).

Infrastructure

When the state's Regional Planning Commissions (RPCs) were polled, 100% of respondents declared water and sewer improvements a major community development need in the state. To further define this need, the Environmental Protection Agency (EPA), in conjunction with the Missouri Department of Natural Resources (DNR), conducts needs surveys for drinking water and wastewater every five years. Surveys for both are currently being conducted, but the most recent results (2007 for water) indicate that the 20-year need for drinking water system improvements is $7.086 billion. For wastewater, the most recent information is from the 2008 survey. At that time, there was a total of $5.19 billion in central wastewater collection and treatment needs. In addition, there was about $260 million in decentralized (on-site) wastewater needs and $565 million in stormwater-related needs, for a total of more than $6 billion. Needless to say, despite the fact that the state annually designates over 40% of its CDBG allocation to water and wastewater projects, there is still much more demand than funding available.

Transportation needs are a top concern in Missouri. The Missouri Department of Transportation (MoDOT) reports that the fuel tax model that has been used to fund transportation in this country for many, many years does not work anymore. With people driving more fuel efficient vehicles and driving fewer miles, (although good for the

environment) fuel tax-driven revenue streams are declining. Additionally, federal funding remains uncertain for the long-term and this has forced MoDOT to make some difficult decisions.

Faced with uncertain transportation funding at the federal level (Approximately 38 percent of Missouri's transportation revenue comes from the federal government), MoDOT has implemented a number of cost-saving measures in order to put every possible dollar back into the system. These efforts have included "practical design," "practical operations," what has been called "radical cost control" and most recently the Bolder Five-Year Direction, adopted by the Missouri Highways and Transportation Commission on June 8, 2011. The plan will ultimately reduce the size of MoDOT's workforce by 1,200, close 131 facilities and dispose of more than 740 pieces of equipment. This process has already begun. Redirecting internal operating budget savings from the Bolder Five-Year Direction to the 2013-2017 Statewide Transportation Improvement Program will allow MoDOT to use all available federal funds through 2018.
But this redirection does not solve Missouri's long-term transportation funding problems. In fact, MoDOT would be unable to match federal funds today were it not for "advance construction" that has allowed MoDOT to be credited for the state funds it expended as a result of Amendment 3, adopted in 2004. The bottom line is that MoDOT will be unable to cut its way to an improved transportation system.

Although the state CDBG program is not in a position to insert itself into the state and federal highway system in Missouri, the program has been an important gap financer and partner to MoDOT in past projects that involve bridge replacement, localized street repair, and road construction for industrial purposes. However, due to reductions in allocations in recent years, the Missouri state CDBG program has had to cut back on the amount of bridge, street, and drainage projects funded each year. The response to these cuts from the field has been very negative. In our survey of Regional Planning Commissions, nearly 77% voted for street improvements as one of the top 3 infrastructure needs in their region, while nearly 54% voted for bridge improvements, and more than 38% selected drainage improvements. A summary of Bridge, Street, and Drainage applications submitted over the past five years is as follows:

- **2008** – 30 applications received; 5 funded
- **2009 –** 39 applications received; 11 funded
- **2010 –** 39 applications received; 17 funded
- **2011 –** 38 applications received; 6 funded
- **2012 –** This funding competition was not held due to lack of funding

Economic Development

In April 2011, Governor Nixon launched the 2010 Strategic Initiative for Economic Growth (http://www.ded.mo.gov/Strategic.aspx). One of the strategies employed within the document is "Missouri will provide the infrastructure necessary for companies and communities to be successful." The Initiative goes on to state that "the continuing role of state, local and federal elected officials, working with staff and economic development practitioners to source funding for the implementation of high-value infrastructure projects is a critical component of this strategic initiative."

Missouri works on multiple fronts to engage regional and local communities in the identification, funding and construction of key projects related to road, rail, port, drinking water, sewer and utilities infrastructure. It goes without saying that Missouri's competitive position to attract business and industry would be strongly influenced by the infrastructure capacity it can offer to existing businesses, prospect companies and residents.

Even as budgets tighten at the state and federal levels, many cities are coming to grips with the need to replace aging infrastructure; this is coupled with the constant requirement to build new infrastructure to support growth. Regional Planning Commission Directors told us via survey that the most viable economic development/job creation tool in their respective regions was Industrial Infrastructure grants that assists local governments in the development of public infrastructure that allows industries to locate new facilities, expand existing facilities, and prevent the closing of a facility or the relocation of a facility outside the state. Other viable tools mentioned in the survey were job training programs and small business development loans.

Needs Determination for Public Improvements

A survey of Regional Planning Commissions was taken during the summer of 2012. RPCs work hands-on with non-entitled communities daily and have a better perception of the needs on the ground. Additionally, our contacts at the Missouri Department of Natural Resources provided information from the EPA on water and wastewater infrastructure needs. The EPA link to the 2008 Clean Watersheds Needs Survey is http://water.epa.gov/scitech/datait/databases/cwns/2008reportdata.cfm. Information on the Drinking Water Infrastructure Survey may be found here: http://water.epa.gov/infrastructure/drinkingwater/dwns/index.cfm.

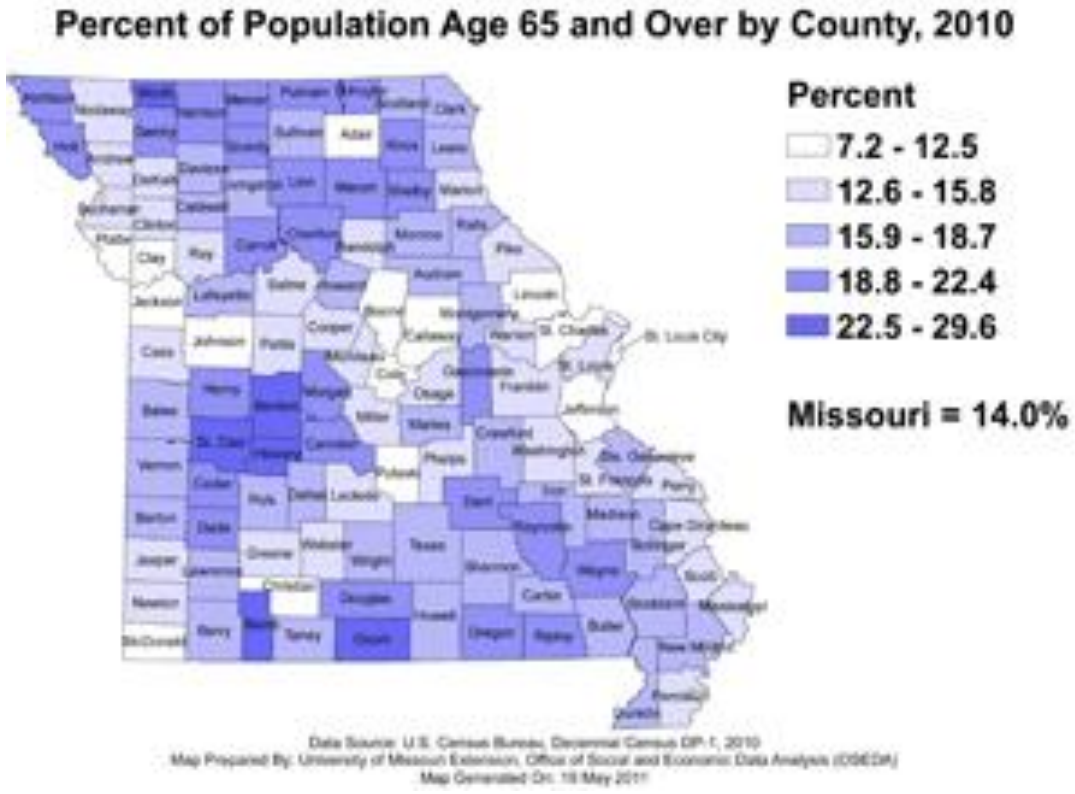
The Missouri Department of Transportation has a published plan for the Statewide Transportation Improvement Program, which can be viewed at: http://www.modot.mo.gov/plansandprojects/construction_program/STIP2013-2017/index.htm

To identify a clear path for growth in the Missouri economy, the 2010 Strategic Initiative for Economic Growth was launched by Governor Jay Nixon in April 2011. The Initiative is designed to engage representatives from business, labor, higher education, and economic development across the state to chart a path for transforming the Missouri economy into a long-term, sustainable, 21st century growth economy. The initiative can be viewed at: http://www.ded.mo.gov/Strategic.aspx

By analyzing these independent sources, listening to the feedback provided by RPC directors, and taking into account the volume of funding requests received by the state CDBG program, the above infrastructure needs were determined to be priority.

Statewide Need for Public Services

Regional Planners across the state have indicated an overwhelming need for senior services exists in the state of Missouri. This is not surprising considering 1,030,757 (or 17.2% of the general population) of Missouri residents are aged 62 and over. According to recently released 2010 Census data that now include age cohorts, the Missouri population age 65 and over increased by 11 percent over the decade and those 85 and over increased by 15 percent. The map below clearly shows that the rural counties of the state contain a higher density of older Missourians than the urban counties. (http://www.oseda.missouri.edu/articles.shtml#one)



Year after year, the need for senior services in the state is affirmed by the number of senior center applications received in the CDBG Community Facility competitions. Over the past five years 18.7% of these applications have been for the construction, purchase, and/or renovation of senior centers. These centers not only serve as nutrition sites, but also locations where seniors receive health screenings, exercise and fitness classes, and all-important socialization.

In addition to senior centers, transportation services have also been identified as a significant need in rural Missouri. Public transportation does not typically exist outside of metropolitan areas and it can be difficult for a person without a car or drivers license to access vital services. Rural fire protection, employment training, and health services round out the expressed public service needs.

Need Determination for Public Services

A careful analysis of applications submitted in the state CDBG Community Facilities application category over the past 5 years, in addition to a survey of Regional Planning Commissions gives a clear indication of the need for public facilities. RPCs work hands-on with non-entitled communities daily and have a better perception of the needs on the ground.

Market Analysis

Market Analysis Overview

Census data for 2010 shows that Missouri had a total of 2,712,729 housing units, roughly 20% of those were units in multi-family structures, and a 70% homeownership rate for the state.

2010 ACS data shows that the majority of Missouri housing stock was built between 1970 and 1979; 428,833 units. The second largest category consists of housing units built in 1939 or earlier; 398,851 and units built between 1990 and 1999 comprise the third largest category with a total of 393,878. Units built after 2000 total 386,242; highlighting the age of the majority of the state's housing stock.

In 2000, Missouri's vacancy rates for rental housing was 9%; 2010 ACS data shows that rate has decreased to an 8.3% vacancy rate for renters and 2.7% rate for homeowners. Total number of vacant housing units for 2010 stood at 337,118.

From 2006 to present, seventy-nine properties in the MHDC portfolio have outlived their compliance periods and applied to opt out of extended use as affordable housing. Of those, a total of fifteen have successfully opted out; meaning the properties are no longer held to

affordable rents for low income tenants. Another twenty-one properties are in various stages of the opt out process.

Data from CHAS 2005-2009 and ACS 2005-2009 further illustrate the condition of Missouri's housing units and the needs facing individuals. When looking at the area of housing issues, HUD recognizes several needs:

1. *Substandard Housing*: Lacking complete plumbing or kitchen facilities. Total number of Missouri renter households that are considered to be substandard: 8,400 units. There are 451,286 rental homes that were built before 1980 and this poses a risk in terms of lead based paint hazards.
2. *Overcrowded*: Having 1.01 to 1.5 people per room. Total number of Missouri renter households that are considered overcrowded: 14,942.
3. *Severely Overcrowded*: Having more than 1.51 people per room. Total number of Missouri renter households that are considered severely overcrowded: 4,597.
4. *Housing Costs*: HUD states that households paying more than 30% of household income towards housing costs are considered cost burdened. Paying more than 50% of household income towards housing costs is considered severely cost burdened. Total number of Missouri households that are cost burdened: 664,624 or roughly 29% of the population. Total number of Missouri renter households that are cost burdened: 131,960. Total number of Missouri renter households that are severely cost burdened: 135,870. When examining home owners and the share of household income paid towards housing, the data looks similar to that of Missouri renters. Total number of Missouri owner occupied homes that are cost burdened; 219,520. Total number of Missouri owner occupied homes that are severely cost burdened: 124,410.

Data from "The State of the Nation's Housing 2012" suggests that the number of households considered severely burdened continues to rise. That same data shows that renters make up the lion's share of severely cost burdened households with race, education, and age affecting to an extent, the rate at which individuals are likely to fall into this category. "Out of Reach 2012"sets Missouri's housing wage at $13.34 – that is the wage needed to afford the fair market rent (FMR) for a two bedroom apartment at $693, paying no more than 30% of income. Annually, that equals a wage of $27,737, a monthly wage of $2,311. The minimum wage for Missouri is $7.25; with the earlier data in mind, a Missouri minimum wage worker would have to work 74 hours per week, 52 weeks per year to meet the affordability threshold for the two bedroom apartment. The data summarized within this section supports the case for continued investments in affordable rental housing production, preservation and rehabilitation.

Housing Market Analysis: Number of Housing Units

Introduction

The CHAS data below presents a statewide picture of rental housing stock – for 2010, the total number of rental properties throughout the state was 2,648,248. Data from the 2010 Census shows that from 2000 to 2010, there was an 11% increase in housing units throughout the state. While the LIHTC and HOME programs are responsible for the majority of affordable rental housing production over that time, the question of need, where production has not yet met the need for housing, continues to be examined.

All rental properties by number of units –

Property Types –

All rental properties by number of units		
Property Type	**Number**	**%**
1-Unit detached structure	1,858,912	70%
1-unit, attached structure	87,048	3%
2-4 unit structure	223,639	8%
5-20 unit structure	189,837	7%
more than 20 unit structure	104,402	4%
mobile home, boat, RV, van, etc.	184,410	7%
Total	**2,648,248**	**100%**

Unit Size by Tenure –

Unit Size by Tenure	Owners		Renters	
	Number	**%**	**Number**	**%**
No bedroom	1,888	0%	16,028	2%
1 bedroom	34,672	2%	177,274	26%
2 bedroom	331,015	20%	296,108	43%
3+ bedroom	1,265,464	77%	199,789	29%
Total	1,633,039	100%	689,199	100%

Number and targeting (income level/type of family served) of units assisted with federal, state, and local programs

Because MHDC serves the housing needs of the whole state of Missouri, we generally do not specifically target income levels or types of households: communities apply for funding based on their individual needs. Starting in 2011, MHDC did start a 33% priority for special needs housing units, which are targeted to developments that provide permanent supportive housing and integrated housing for persons with special needs. Persons with specials needs are those

that are physically, emotionally or mentally impaired or suffer from mental illness; developmentally disabled; homeless; or a youth aging out of foster care.
MHDC also gives priority to developments that are built for elderly households. Since 2007, 44% of all units approved at MHDC were targeted to elderly households.

Assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 Contracts

Units currently participating in the PBCA Section 8 program may be lost due to owners' opting out of the program, owner default or noncompliance with regulatory agreements. Based on current trends, we estimate roughly 400 units may be lost over the next five years out of 23,256 units.

Does the availability of housing unit meet the needs of the population?

While a community may have ample rental housing many communities have a demonstrated lack of rental housing affordable to very low or extremely low-income families or seniors. One indicator of a lack of available affordable rental housing is the demand for Section 8 vouchers. Even though there have not been any new vouchers funded for many years on rare occasions when public housing authorities in Missouri do open their waiting lists the demand is very great. The Columbia Housing Authority recently opened its waiting list after it was closed for two years. The St. Louis Housing Authority has over 5,000 people on its waiting list and it has been closed for nearly a year. The Jefferson City Housing Authority has just opened its waiting list after it had been closed for six years. Their average wait time for a voucher is between 3 and 4 years in Jefferson City. The Housing Authority of Kansas City states the wait time for a voucher averages from 1 to 3 years. This situation is common in large and small communities across the State of Missouri.

There are 110 counties out of 115 in Missouri with more than 10% of their populations living at or below the Federal Poverty Level; 10 of those have poverty rates of 25% or higher for the county. Statewide, 14.0% of people were living below the poverty level in 2006-2010, the median income for Missouri households was $46,262 and the state unemployment rate sat at 6.9% as of October 2012. Assuming a connection between unemployed or underemployed households, poverty status and housing instability (need for housing assistance included), the need for more affordable rental housing for Missouri's low income households is not fully being met. To that end, MHDC continues to commit LIHTC and HOME money to the production of affordable rental housing for low and very low income Missourians.

Need for specific types of housing

While a community may have ample rental housing many communities have a demonstrated lack of rental housing affordable to very low or extremely low-income families or seniors. One

indicator of a lack of available affordable rental housing is the demand for Section 8 vouchers. Even though there have not been any new vouchers funded for many years on rare occasions when public housing authorities in Missouri do open their waiting lists the demand is very great. The Columbia Housing Authority recently opened its waiting list after it was closed for two years. The St. Louis Housing Authority has over 5,000 people on its waiting list and it has been closed for nearly a year. The Jefferson City Housing Authority has just opened its waiting list after it had been closed for six years. Their average wait time for a voucher is between 3 and 4 years in Jefferson City. The Housing Authority of Kansas City states the wait time for a voucher averages from 1 to 3 years. This situation is common in large and small communities across the State of Missouri.

Discussion

In 2012, the Missouri LIHTC program produced 2,221 units of new affordable rental housing (9% and 4% LIHTC approved projects). In 2011, 1,409 new units were produced, in 2010, 2,379 new units were produced, and in 2009, 2,459 new units were produced using state and federal LIHTCs. Closer examination of where those units have been built provides a clearer picture of need throughout the state. Cities such as Branson, Columbia, Excelsior Springs, Farmington, Jennings, O'Fallon, Sedalia, and Wentzville have all benefitted from new / rehabilitated rental housing for families and seniors within the last 10 years; however, the program has yet to reach every community in the state. The method by which the state measures need must adapt over time to reflect housing needs in light of housing goals and available resources. Population changes per county, poverty status and how that changes from year to year, and ongoing analysis of the housing market from a state perspective as well as a smaller, community specific angle; all should be considered when defining the need for housing. As the state housing finance agency, MHDC is committed to utilizing all tools available to formulate a comprehensive, equitable and justified plan for building affordable homes where they are most needed.

Housing Market Analysis: Cost of Housing

Introduction

The data shows that cost burden is overwhelmingly the biggest housing problem for Missouri households. Based on the information in the Housing Affordability chart, only 10% of housing units in the state are affordable to those renter households earning 30% of the HAMFI (Household Area Median Family Income), which falls far short of meeting the needs of these low-income households. Additionally, twenty-five of Missouri's one-hundred and fifteen counties have over fifteen percent of renter households paying over 30% of their income on housing costs. Many of these cost burdened households are located in rural communities.

Rural communities often have issues that are unique; AMI tends to be lower than urban communities and for LIHTC/HOME properties that can mean rent limits that do not practically work for the intended audiences and/or rent limits that exceed FMR for the area.

Cost of Housing –

Cost of Housing	Base Year: 2000	Most Recent Year: 2009	% change
Median Home Value	89,900	134,500	50%
Median Contract Rent	484	494	2%

Rent Paid –

Rent Paid	Number	%
Less than $500	376,343	55%
$500-999	280,368	41%
$1,000 - 1,499	23,221	3%
$1,500-1,999	5,333	1%
$2,000 or more	3,934	1%
Total	**689,199**	**100%**

Housing Affordability –

% of units affordable to households earning:	Renter	Owner
30% HAMFI	69,245	No Data
50% HAMFI	233,000	157,775
80% HAMFI	392,970	296,720
100% HAMFI	No Data	497,270
Total	**695,215**	**951,765**

Monthly Rent ($) –

Monthly Rent ($)	Efficiency (no bdrm)	1 bedroom	2 bedroom	3 bedroom	4 bedroom
Fair Market Rent	$438	$482	$601	$789	$888
High HOME Rent	$426	$461	$580	$755	$849
Low HOME Rent	$415	$454	$562	$662	$739

Is there sufficient housing for households at all income levels?

No, there is not sufficient housing for households at all income levels, and as households get lower on the income scale, their housing needs increase substantially. For households that are

30% or below of the HAMFI, 63% of them have at least one housing problem – substandard housing, overcrowding, and/or cost burden. In addition to substandard housing, there simply is not enough affordable housing for low-income households in the state. Based on the information in the Housing Affordability Chart and current census data, only 10% of rental units in Missouri are affordable to households at or below 30% HAMFI.

Likely changes in affordability of housing considering changes to home values and/or rents

Despite the slow recovery from the housing crisis, Missouri is still seeing lasting effects. Based on current census data, Missouri's statewide rental vacancy rate has dropped three percentage points since 2005 – 13.3% to 10.3%, while the homeowner vacancy rate has increased by 0.9% - 2.7% to 3.6%. MHDC anticipates that the higher rental demand will persist for some time, and as history has shown, and the data supports, higher rental demand increases monthly rent amounts. The increase in monthly rent costs makes the need for affordable housing that much greater.

Comparison of HOME rents/Fair Market Rent to Area Median Rent

In well over half of the counties in Missouri, the low-HOME rent is higher than what is considered affordable for the county median household income. This undoubtedly makes affordable housing development very difficult in these areas. However, it is MHDC's intention to provide funding for housing that is below market rates.

Discussion

As the data shows, cost burden is overwhelmingly Missouri's biggest housing problem, and the Cost of Housing section further illustrates this. Based on the information in the Housing Affordability chart, only 10% of housing units in the state are affordable to those renter households earning 30% of the HAMFI, which falls far short of meeting the needs of these low-income households. Additionally, twenty-five of Missouri's one-hundred and fifteen counties have over fifteen percent of renter households paying over 30% of their income on housing costs. Most of these cost burdened households are in counties that are in the rural areas of the state, which often times run into the issue of HOME/LIHTC rents being higher than what is considered affordable for the median county household income. Although the charts in this section do not detail this information, when the data is presented by county, it becomes apparent that affordability is a very real problem in many different areas across Missouri.

Housing Market Analysis: Condition of Housing

Introduction

The data below supports the presumption that renters bear the majority of housing issues when compared to homeowners. The National Low Income Housing Coalition estimates that 31% of Missouri's households are renters and that 27% of those households are extremely low income. The ability to demand housing that is safe, accessible and decent lessens when the amount of money available for rent is lower. The data presented below and throughout the report highlights the need to produce and/or rehabilitate more affordable housing for low income renters. As the state housing finance agency, MHDC is dedicated to strengthening communities and the lives of Missourians through the financing, development and preservation of affordable housing.

Definitions for "substandard condition" and "substandard condition for suitable for rehabilitation"

"Substandard condition" is defined as "housing that does not meet local building, fire, health and safety codes". "Substandard condition but suitable for rehabilitation" is defined as "housing that does not meet local building, fire, health and safety codes but is both financially and structurally feasible for rehabilitation".

Condition of Units –

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected condition	359,397	22%	281,930	41%
With two selected conditions	7,607	0%	12,350	2%
With three selected conditions	1,012	0%	1,001	0%
With four selected conditions	183	0%	27	0%
No selected conditions	1,264,840	77%	393,891	57%
TOTAL	**1,633,039**	**100%**	**689,199**	**100%**

Year Unit Built –

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	188,015	12%	63,881	9%
1980 - 1999	473,393	29%	174,032	25%
1950 - 1979	648,435	40%	290,553	42%
Before 1950	323,196	20%	160,733	23%
TOTAL	**1,633,039**	**100%**	**689,199**	**100%**

Risk of Lead-Based Paint Hazard –

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total # of Units Built Before 1980	971,631	59%	451,286	65%
Housing Units built before 1980 with children present				

Vacant Units –

Vacant Units	Suitable for Rehab	Not Suitable for Rehab	Total
Vacant Units		30	
Abandoned Vacant Units			
REO Properties			
Abandoned REO Properties			

The data above represents only those PBCA properties within MHDC's current portfolio.

Needs for owner and rental rehabilitation based on the condition of statewide housing

Missouri's housing stock is one that is aging: over sixty-one percent of all homes in the state were built before 1980. Aside from the lead-based paint risks, according to American Community Survey data, twenty-two percent of owner-occupied homes have one of the four housing conditions, which include lacking complete plumbing or kitchens, overcrowding, extreme overcrowding, and cost burden. MHDC addresses the rural needs through our homeowner rehabilitation program, but the need far exceeds the available funding. In the 2012 application cycle twenty agencies requested almost eight-million dollars, but MHDC was only able to allocate just over three-million dollars in funding to these twenty agencies.

Additionally, MHDC continues to prioritize rehabilitation of Missouri's rental housing stock through the larger rental production and rehabilitation program. Based on the HOME developments approved since 2009, over 50% of HOME units were part of rehabilitation projects.

Estimation of the number of housing units within the jurisdiction that are occupied by low or moderate income families that contain lead-based paint hazards

MHDC does not maintain data to connect the number of low or moderate income families to those households that are living in housing units that contain lead-based paint hazards. But it is reasonable to assume that the approximate 328,994 households living below the poverty level (2011 Census estimate) live in some of the 971,631 housing units built before 1980 in Missouri.

Discussion

The data below supports the presumption that renters bear the majority of housing issues when compared to homeowners. The Condition of Units chart details how 41% of renters in

Missouri have at least one housing problem. Larger studies underscore this point. For example, the National Low Income Housing Coalition estimates that 31% of Missouri's households are renters and that 27% of those households are extremely low income. The ability to demand housing that is safe, accessible and decent lessens when the amount of money available for rent is lower. The data presented above and throughout the report details the need to produce and/or rehabilitate more affordable housing for low income renters and homeowners. As the state housing finance agency, MHDC is dedicated to strengthening communities and the lives of Missourians through the financing, development and preservation of affordable housing.

Public and Assisted Housing

Introduction

As the state housing finance agency, MHDC does not manage or oversee funds to any of the 100+ Public Housing Authorities throughout the state. We will continue to work with the Public Housing Authorities to house Missouri's low-income households to the extent that is necessary.

Total Number of Units –

Total Number of Units	Program Type								
				Vouchers					
				Total	Project-based	Tenant-Based	Special Purpose Vouchers		
	Cert.	Mod-Rehab	Public Housing				Veterans Affairs Supportive Housing	Family Unification Program	Disabled (includes non-elderly disabled, mainstream one-year, mainstream 5-year, and nursing home transition)
# of units/ vouchers available	0	67	17,670	42,699	189	16,517	1,812	2,691	3,036
# of accessible units	N/A	N/A		N/A	N/A	N/A	N/A	N/A	N/A

Number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan

There are currently 23,256 units in the MHDC PBCA portfolio. Their condition is assessed by HUD contractors performing UPCS inspections as specified in the REAC (Real Estate Assessment Center) guidelines.

Restoration and revitalization needs of public housing units in the jurisdiction

There is a demonstrated need for more federal resources to restore and revitalize the stock of public housing in the State of Missouri. In most cases the inventory of public housing dates from the 1960's or 1970's and is in need of substantial rehabilitation in order to extend its useful life. The backlog of deferred maintenance resulting from repeated cuts over the years to public housing capital funds has resulted in a situation where public housing authorities can only fund a small portion of the capital projects that need to be completed. A few of the larger public housing authorities in the state have been successful using HOPE VI, HOME or CDBG program funds to demolish some of their outdated and worn out public housing and replace it with Low Income Housing Tax Credit apartments in order to continue to serve low income families or seniors in their community. Unfortunately many of the smaller public housing authorities in the state lack the capital funding or the capacity necessary to preserve or transform their public housing.

There is a need for better trained management of the property (particularly with the senior properties) to ensure that program regulations and policies are enforced. Qualified maintenance staff is needed as well as newer appliances.

Public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing

The MHDC Resident Relations department acts as liaison for the PBCA residents and management. As the liaison, MHDC encourages communication between the residents and management to ensure that all input is considered and works to continue improving residents' access to management. A toll-free hotline phone number is posted at all PBCA properties for resident use, in cases where an issue is not resolved in a timely manner. MHDC staff provides follow up to ensure the resolution of issues.

Discussion

As the state housing finance agency, MHDC does not manage or oversee funds to any of the 100+ Public Housing Authorities throughout the state. We will continue to work with the Public Housing Authorities to house Missouri's low-income households to the extent that is necessary. MHDC acts as the Performance Based Contract Administrator for the Project Based Section 8 Program state; the questions in this section are answered only from the perspective of those properties.

Homeless Facilities and Services

Introduction

Due to the nature of completing a state Consolidated Plan, it is a difficult task to address all the facilities, housing and services that meet the needs of homeless persons within our jurisdiction. Missouri is changing policy to move towards permanent housing for our citizens who are homeless or at-risk of being homeless. Currently, Missouri supports permanent housing, transitional housing and emergency housing throughout the rural, suburban and urban areas. State and Federal funding sources are overwhelmingly targeting permanent housing communities; however, the need for transitional housing remains for certain populations.

Facilities and Housing Targeted to Homeless Households –

Facilities and Housing Targeted to Homeless Households	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher/Seasonal/Overflow Beds	Current & New	Current & New	Under Development
Households w/ Adult(s) and Child(ren)	1,832	299	2,210	2,535	
Households with Only Adults	1,842	300	1,509	1,561	
Chronically Homeless Households					
Veterans					
Unaccompanied Youth					

Mainstream services targeted to homeless persons

MHDC holds quarterly Regional Housing Team Meetings throughout the state in order to bring together mainstream service providers and homeless assistance providers to facilitate collaboration. Mainstream services are used to complement services targeted to homeless persons in a variety of supportive housing programs as a requirement of funding.

In 2011, MHDC piloted a special needs priority in our Rental Production and Rehabilitation program, and one of the targeted populations is homeless individuals and families. As part of the program objectives, developers and property owners are required to establish a working relationship, through a Memorandum of Understanding, with local service providers so that the much needed services are provided to the development residents.

Additionally, Missouri is part of the Money Follows the Person (MFP) Demonstration program which targets individuals who have a developmental disability, developmental disability with co-occurring mental illness, and individuals who have a physical disability who are transitioning from an ICF/MR or nursing facility. The overall goal of MFP is "to support people who have disabilities and those who are aging to move from a nursing facility or habilitation center to a

quality community setting that meets their needs and wants." This grant accomplishes this through four main objectives:

- to move people from a facility to the community;
- identify and eliminate barriers that prevent people from being able to move to the community;
- improve the ability of Missouri HealthNet to provide in-home services;
- and to ensure that there is continuous quality improvement of in-home services provided.

Services and facilities that meet the needs of homeless persons

The Governor's Committee to End Homelessness (GCEH) provides the necessary oversight of the homeless assistance programs in Missouri. Below is a list of the GCEH members:

- Missouri Association for Community Action
- Local Homeless Providers
- Citizens who are homeless or formerly homeless
- Department of Health and Senior Services
- Public Housing Authorities
- MHDC
- Money Follows the Person
- Department of Elementary and Secondary Education
- Head Start
- State Treasurer's Office
- Department of Economic Development
- Missouri Association for Social Welfare
- Veteran's Administration
- Social Security Administration
- Salvation Army
- Missouri Coalition Against Sexual and Domestic Violence
- St. Louis City Continuum of Care
- St. Louis County Continuum of Care
- St. Charles Continuum of Care
- Springfield Continuum of Care
- Joplin Continuum of Care
- St. Joseph Continuum of Care
- Kansas City Continuum of Care
- Balance of State Continuum of Care
- United States Department of Agriculture
- Department of Mental Health

- Department of Social Services

The above listed agencies provide the mainstream and non-mainstream services for homeless citizens in Missouri. It is the goal of the GCEH to include the Department of Corrections in the next year. Membership may change slightly over the term of the Consolidated Plan.

Special Needs Facilities and Services

Introduction

Missouri instituted a statewide discharge policy in December of 2011; this ensures that those persons returning from mental and physical health institutions are not discharged into homelessness.

MHDC instituted a 33% priority for special needs housing in 2012. This priority allows for 33% of the state and federal tax credits to serve special needs housing, most importantly, our citizens diagnosed with a mental illness. This initiative allows citizens, who are by definition special needs, to live in permanent housing. Missouri has the largest priority for special needs credits in the nation. In addition to the priority, developers who are requesting the tax credits for special needs housing are required to partner with a lead referral agency to provide supportive services at these communities.

HOPWA Assistance Baseline –

HOPWA Baseline	Type of HOPWA Assistance	Number of Units
	TBRA	99
	PH in facilities	0
	STRMU	213
	ST or TH facilities	0
	PH placement	0

The Missouri Department of Health and Senior Services (DHSS) coordinates HOPWA Funds with enrollment in the Ryan White Part B Case Management system in the outstate regions of Missouri to provide homeless prevention among HIV positive individuals and their families. The HOPWA program provides direct assistance, without the use of subcontractors, for Short term rent, Short term utilities, Long term rent and short term Mortgage assistance. Once enrolled in the Ryan White Case Management system the client is provided access to core and support services through the case management system including; Housing related services, Medical Care, Mental Health counseling, Substance Abuse counseling, Oral Health services, Emergency

Assistance, HIV medications, Health Insurance assistance, and Medical Transportation.

Facilities and services that assist persons who are not homeless but who require supportive housing

It is the intent of the Missouri Discharge Policy (adopted by the GCEH in December of 2011) to ensure that all individuals discharged from a state or public facility are discharged into permanent housing; if such housing is not available, plans to place the individual in temporary or emergency shelter must be made prior to discharge. "Every effort must be made through careful discharge planning to work with the client and area resources to seek adequate, permanent housing. In no instance should a person be discharged from a state or public facility with directions to seek housing or shelter in an emergency shelter without having first made every effort to secure permanent housing."

Funding through MHDC's Missouri Housing Trust Fund and the allocation of state and federal LIHTCs are both used to promote supportive housing programs. These programs are designed to reduce barriers for individuals who are at-risk or who have been homeless, as well as provide ongoing and consistent support to ensure successful and permanent housing. MHDC's 33% priority for special needs housing, requires supportive services for eligible tenants.

Programs that ensure persons returning from mental and physical health institutions receive appropriate supportive housing

In 2011, MHDC piloted the special needs housing priority in the Qualified Allocation Plan. In 2011, MHDC approved 168 units of special needs housing in Kansas City and St. Louis. In 2012, MHDC approved 183 units of special needs housing in Sedalia, Jackson, Desoto, St. Joseph, Springfield, St. Louis, Columbia and Kansas City. To date 351 units of permanent housing units have been created for people who are special needs, including people returning from mental and physical health institutions.

It is the intent of the Missouri Discharge Policy (adopted by the GCEH in December of 2011) to ensure that all individuals discharged from a state or public facility are discharged into permanent housing; if such housing is not available, plans to place the individual in temporary or emergency shelter must be made prior to discharge. "Every effort must be made through careful discharge planning to work with the client and area resources to seek adequate, permanent housing. In no instance should a person be discharged from a state or public facility with directions to seek housing or shelter in an emergency shelter without having first made every effort to secure permanent housing."

Specified activities planned during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs.

MHDC will approve 33% of the total allocation to special needs housing in 2013. These units will be targeted for the special needs population and will require the implementation of supportive services.

Barriers to Affordable Housing

Negative effects or public policies on affordable housing and residential investment

- Low Area Median Income – The Low Income Housing Tax Credit (LIHTC) is the country's primary vehicle for the production of affordable rental housing. The program has placed over 2,000,000 units of affordable housing in service since its inception and continues to be the nation's largest program designed to meet this need. Despite the success of the program in terms of units produced, there continue to be issues surrounding the income eligibility requirement and how that limit is measured in rural communities. Federal statutes require that the maximum rent guidelines be gauged to 60% of area median income (AMI). In many rural communities the AMI is so low that the maximum allowable rent is set at a level where many low-income renters exceed the eligibility; making the program unworkable for the intended audience. Missouri's minimum wage is currently $7.25 per hour. Assuming a household with two full time, minimum wage earners, living in Taney County, Missouri - each parent earns a salary of $15,080 per year for a combined household income of $30,160. The 2011 AMI for Taney County is $50,400; 50% of AMI is $25,200, 60% is $30,240. That two income household will not qualify for a LIHTC unit if income eligibility is set at 50% AMI and barely qualifies for units set at 60% AMI. 53 of Missouri's 115 counties have AMI levels so low that households with two full time, minimum wage workers will not qualify for LIHTC units.
- Limited Funding for Affordable Home Ownership Programs – Beginning in 2000, Missouri has used the majority of its HOME monies for the production of multifamily affordable housing developments. The decrease in HOME funding for the state has meant narrowing priorities to where the need is greatest, but MHDC recognizes that as we move forward, homeownership remains a priority for MHDC.
- Limited Funding for Affordable Housing Development – As the administrator for federal and state Low Income Housing Tax Credit (LIHTC) funds, MHDC has and continues to see that the need for such assistance consistently outweighs the supply. Changes to the state LIHTC have been discussed for many years – capping the credit, decreasing the time frame for redemptions, and eliminating the state credit all together. Any changes

to the LIHTC, state and/or federal, will affect the efficacy of the program, the appetite for state tax credits by investors and ultimately, the availability of quality, affordable, housing units throughout the state.

- Limited Funding for the Missouri Housing Trust Fund – The Missouri Housing Trust Fund (MHTF) is a statutorily created fund, capitalized by a $3 recording fee, to be used to meet the housing needs of low income Missourians throughout the state. Dependent exclusively on the level of real estate activity, the amount of funds available through the MHTF changes annually. Subsequently, the requests for funds consistently outweigh the amount of money available; leaving roughly three-fourths of the requests unmet each year. For FY 2013 the MHTF has collected $3,343,807 for allocation; applications for FY 2013 MHTF funding totaled $14,963,212. Efforts to increase or supplement the amount of money collected for the MHTF have been explored over the years without success.
- Aging Housing Stock – MHDC consistently faces the dilemma between building new units throughout the state and rehabilitating and preserving the aging stock of housing units. Limited funding makes this an on-going issue.

Non-Housing Community Development Assets

Economic Development Market Analysis

Business by Sector –

Business By Sector	**2010 Number of Missouri Workers***	**Number of Jobs^**	**Share of Workers %**	**Share of Jobs %**	**Jobs Less Workers %**
Agriculture, Mining, Oil & Gas Extraction (and Utilities)	73,482	27,720	2.7%	1.0%	-1.6%
Arts, Entertainment, Accommodations	248,691	273,227	9.1%	10.3%	1.2%
Construction	161,710	106,184	5.9%	4.0%	-1.9%
Education and Health Care Services	660,567	612,525	24.2%	23.1%	-1.0%
Finance, Insurance and Real Estate	190,905	165,007	7.0%	6.2%	-0.8%
Information	64,091	56,715	2.3%	2.1%	-0.2%

Manufacturing	309,768	243,008	11.3%	9.2%	-2.2%
Other Services	129,080	132,349	4.7%	5.0%	0.3%
Professional, Scientific, Management Services	240,638	320,661	8.8%	12.1%	3.3%
Public Administration	132,781	213,320	4.9%	8.1%	3.2%
Retail Trade	330,191	299,242	12.1%	11.3%	-0.8%
Transportation & Warehousing	113,364	82,906	4.1%	3.1%	-1.0%
Wholesale Trade	78,608	116,526	2.9%	4.4%	1.5%
Grand Total	**2,733,876**	**2,649,390**	**100%**	**100%**	
*Source: U.S. Census Bureau, 2010 American Community Survey 1-Year Estimates					
^Source: 2010 Base year Employment, Missouri 2010-2012 Industry Projections					

Labor Force --

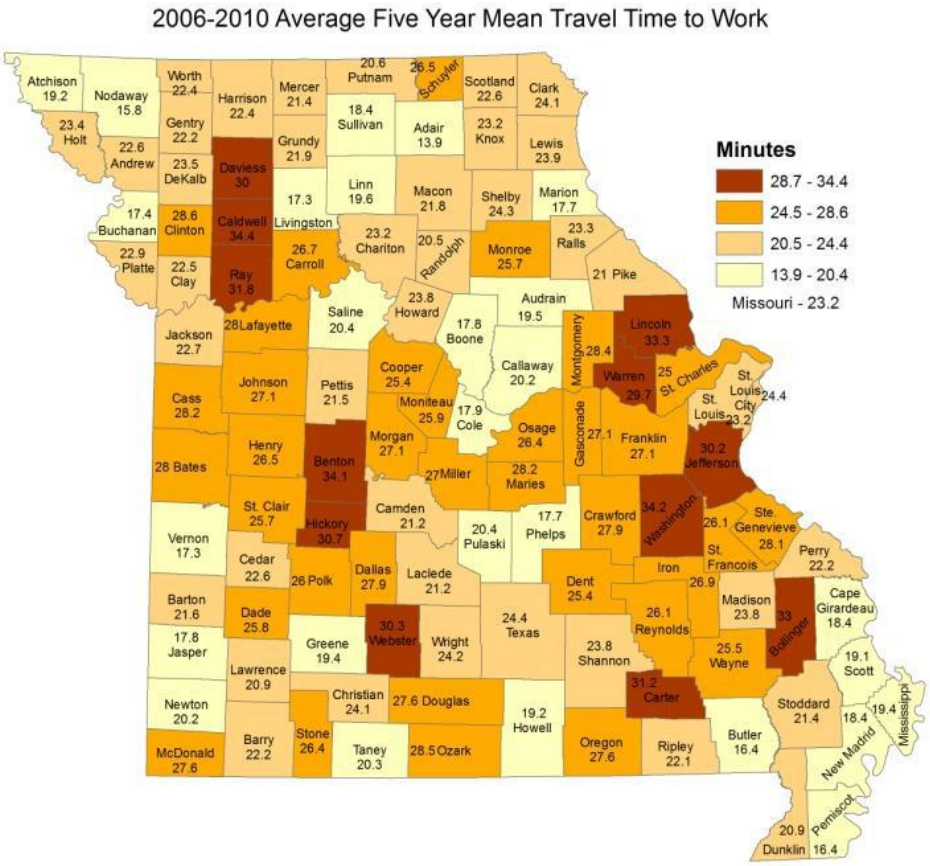
Labor Force	
Total Population in the Civilian Labor Force	3,056,953
Civilian Employed Population 16 years and over	2,734,169
Unemployment Rate	10.6%
Unemployment Rate for Ages 16 – 24	20.4%
Unemployment Rate for Ages 25 – 65	9.0%
Source: U.S. Census Bureau, 2010 American Community Survey, 1-Year Estimates (S2301)	

Occupations by Sector –

Occupation Sectors	**Median Income**
Management, Business and Financial	$53,197
Farming, Fisheries and Forestry Occupations	$26,213

Service	$23,905
Sales and Office	$32,200
Construction, Extraction, Maintenance and Repair	$40,877
Production, Transportation, and Material Moving	$32,571
Source: U.S. Census Bureau, 2010 American Community Survey, 1-Year Estimates (B24021)	

Travel Time –



Travel Time	Population	Percent
Less than 30 Minutes	1,807,744	69%
30-59 Minutes	686,176	26%
60 of More Minutes	137,024	5%

Workers 16 years and over	2,630,944	100%
Source: U.S. Census Bureau, 2010 American Community Survey, 1-Year Estimates (B08603)		

Education

Education Attainment by Employment Status (Population 16 and Older) –

	In Labor Force		
Educational Attainment	**Civilian Employed**	**Unemployed**	**Not in Labor Force**
Less than high school graduate	156,359	34,142	144,351
High school graduate (includes equivalency)	633,269	80,263	277,038
Some college or Associate's degree	720,621	65,833	190,680
Bachelor's degree or higher	732,561	27,864	114,884
Source: U.S. Census Bureau, 2010 American Community Survey, 1-Year Estimates (B23006)			

Educational Attainment by Age –

Educational Attainment	**Age**				
	18-24 yrs	**25-34 yrs**	**35-44 yrs**	**45-64 yrs**	**65+ yrs**
Less than 9th grade	10,322	17,591	17,086	51,011	89,291
9th grade to 12th grade, no diploma	86,422	66,964	58,870	123,396	99,426
High school graduate, GED, or alternative	181,292	192,735	214,756	534,748	327,498
Some college, no degree	229,771	191,483	173,188	374,578	160,750
Associate's degree	30,735	68,564	60,015	117,389	25,691
Bachelor's degree	51,024	167,570	143,433	249,893	78,456
Graduate or professional degree	4,245	70,133	80,727	167,834	61,773
Source: U.S. Census Bureau, 2010 American Community Survey, 1-Year Estimates (B15001)					

Median Earnings in the Past 12 Months –

Educational Attainment	Median Earnings
Less than high school graduate	$17,712
High school graduate (includes equivalency)	$25,051
Some college or Associate's degree	$30,542
Bachelor's degree	$41,770
Graduate or professional degree	$55,277
Source: U.S. Census Bureau, 2010 American Community Survey, 1-Year Estimates (B20004)	

Major employment sectors within the state based on the Business Activity table above

	2011 2nd Quarter^	
Business By Sector	**Employment**	**LQ**
Agriculture, mining, Oil & Gas Extraction (and Utilities)	28,021	0.571
Arts, Entertainment, Accommodations	278,522	1.025
Construction	105,423	0.956
Education and Health Care Services	386,523	1.012
Finance, Insurance, and Real Estate	152,769	1.027
Information	55,766	1.036
Manufacturing	246,903	1.051
Other Services	87,755	0.987
Professional, Scientific, Management Services	335,783	0.968
Public Administration	-	-
Retail Trade	301,698	1.032
Transportation & Warehousing	79,462	0.979
Wholesale Trade	116,821	1.049
Grand Total	**2,175,446**	
^Source: Quarterly Census of Employment and Wages, 2011 2nd Quarter Data, retrieved from BLS Regional Data Analysis Tool (RDAT)		

The location quotient (LQ) indicates the geographical concentration of an industry in an area as a function of the expected concentration based on the national average. An LQ of greater than one indicates an industry concentration. The table above reflects high levels of employment in Education and Health Care Services, Professional and Technical Services, and Retail Trade. Additionally, the data from the 2nd quarter of 2011 show seven Missouri business sectors which have a higher concentration (LQ) of employment than the national average. Missouri's

manufacturing sector, with an LQ of 1.051, has a larger share of the state's total employment compared to the nation as a whole. Wholesale Trade employment outperforms than national average with an LQ of 1.049. The Information sector with over 55,000 employees hosts 2.56 percent of Missouri's employment, which mirrors the national percentage of 2.47, but still exceeds the national concentration.

Workforce and infrastructure needs of business in the state

Workforce needs vary by industry, but according to the Missouri Division of Workforce Development, the most common theme among businesses is the need for workers proficient in basic applied math, reading, and soft skills. The most in-need occupations are middle-skill positions. Colleges and universities across the country spend millions of dollars to remediate incoming students who do not have adequate command of basic skills like reading, writing, arithmetic and computers. Missouri is no exception; numerous stakeholders participating in the 2010 Strategic Initiative process (http://www.ded.mo.gov/Strategic.aspx) confirmed that most two-year colleges and some four-year schools hold back dozens if not hundreds of students in remedial courses before clearing them to take college-level coursework.

Besides a competent and fully-trained workforce, other infrastructure needs of the business community include quality roads and bridges, rail spurs, ports, water, sewer and other utility connections.

Major changes that may have an economic during the planning period

In 2009, Gov. Jay Nixon rolled out a program called MoBroadbandNow that aims to provide 95 percent of Missouri with broadband Internet access by the end of 2014. The initiative, one of the most comprehensive in the country, includes businesses and organizations in partnership with the state. With matching funds, the value of the investment in Missouri of these projects is $311 million. Through MoBroadbandNow, Missouri is demonstrating an understanding that wireless and wireline communications infrastructure will significantly drive economic competitiveness in today's economy. Access to state-of-the-art communications infrastructure positions communities in all reaches of Missouri to at least be "in the game" for technology-based economic development.

The state has also developed a program to ensure that communities have competitive development-site product to market to local and external prospects. The Missouri Certified Sites Program was created by the Missouri Department of Economic Development to provide prospect companies and site consultants with consistent standards regarding the availability and development potential of commercial or industrial development sites. Site-certification criteria were established through partnerships with the Missouri Economic Development

Council, Ameren UE, Empire Electric, KCP&L, Missouri Electric Cooperatives and the Missouri Department of Natural Resources based on the requirements of industry. The site-certification process incorporates factors such as availability of utilities, site access, environmental concerns, land use conformance, and potential site development costs. In addition to efforts focused on broadband accessibility and site certification, Missouri works on multiple fronts to engage regional and local communities in the identification, funding and construction of key projects related to road, rail, port, water, sewer and utilities infrastructure. It goes without saying that Missouri's competitive position would be strongly influenced by the infrastructure capacity it can offer to existing businesses, prospect companies and residents.

Skills and education of the current workforce in relation to employment opportunities

Workforce needs vary by industry, but according to the Missouri Division of Workforce Development, the most common theme among businesses is the need for workers proficient in basic applied math, reading, and soft skills. The most in-need occupations are middle-skill positions.

Missouri Jobs by Education Required

Education	**Estimated Jobs in 2010***	**Projected Jobs in 2018^**	**Percent Change**
Short-term on-the-job training	1,042,350	1,062,970	2.0
Moderate-term on-the-job training	453,590	524,090	15.5
Long-term on-the-job training	170,900	207,030	21.1
Work experience in a related occupation	227,020	227,940	0.4
Postsecondary vocational award	160,620	180,470	12.4
Associate degree	114,010	140,460	23.2
Bachelor's or higher degree, plus work experience	111,520	103,080	-7.6
Bachelor's degree	320,700	384,950	20.0
Master's degree	35,830	47,810	33.4
Doctoral degree	27,040	37,600	39.1
First professional degree	36,110	38,110	5.5
Grand Total	**2,699,690**	**2,954,510**	**9.4**

Current workforce training initiatives supported by the state

The most immediate is the Certified Work Ready Communities initiative sponsored by ACT. Missouri was one of four states chosen to implement CWRC, which takes local communities and through partnerships between education, workforce, and economic development, benchmarks the workforce skills level in that community with the purpose to raise the levels and document

it. This is largely done by implementing National Career Readiness certificates to all present and future workforce members. Once done, it is an important economic development tool.

Needs and Market Analysis Discussion

Areas where households with multiple housing programs are concentrated

MHDC does not allocate HOME funds based on a geographic distribution, but the QAP lays out geographic objectives for allocation of the LIHTC funds. As the state housing finance agency, it is the goal of MHDC to "provide high quality affordable housing with long-term viability that contributes to the community". Analysis of the community's existing multifamily stock is an important component in the application process, MHDC's Developer's Guide specifically addresses the issue of concentration, "No application proposing the delivery of new units will be approved if it is deemed by MHDC to adversely impact any existing MHDC developments, exist in a questionable market, or create excessive concentration of multifamily units."

The one notable exception to the geographic allocation is the Home Repair Program (HeRO); a portion of the state HOME funds administered by MHDC used exclusively for homeowners in rural Missouri.

Areas where racial or ethnic minorities or low-income families are concentrated

Data estimates from the 2011 Census breaks down Missouri's total ethnic and racial population as follows: 84.0% White, 11.7% Black, 0.5% American Indian and Alaska Native, 1.7% Native Hawaiian and other Pacific Islander, 1.9% persons reporting two or more races, 3.7% Hispanic or Latin American origin, and 80.8% white persons not Hispanic. Closer examination of racial composition by county, and how that composition has changed over a 10 year period, suggests that Missouri's minority representation is increasing. For purposes of this question, "concentration" is defined as any county having more than 10% of its overall population made up of ethnicities other than white. Using that as a benchmark, 13 Missouri counties would be considered as having concentrations of certain minority groups. That said, 95 counties had increases in one or more of their minority populations of 5% or greater in that same 10 year span.

Characteristics of the market in the above areas/neighborhoods

Examples of community characteristics present in areas of concentrated poverty and ethnic composition are difficult to standardize. Blight is often used as a standard for redevelopment, generally meaning an area in which the structures (houses, buildings) are dilapidated and/or in need of environmental remediation. It should be noted that not all communities in need of affordable housing are blighted. A recent study by the Center for Housing Policy suggests that

affordability is directly connected to proximity of transportation and job centers to housing as well being influenced by the area's cost of living. These connections affect both low and moderate income households; the same study states "That for all households, including homeowners who have paid off their mortgage, housing and transportation together consumed an average of 48% of the median households' income" by 2010.

Community assets in the above areas/neighborhoods

Many communities throughout the state draw from a variety of resources when addressing their community's housing needs. Local non-profit organizations, churches, municipal governments, neighborhood organizations and school boards all play an important role in housing plans for a particular community.

Missouri Association for Community Action and all of its regional agencies are instrumental in providing much needed housing services, especially in the rural areas. Many of these agencies along with the state's Community Development Corporations are sub-grantees for our homeowner rehabilitation program, and many also apply for the CHDO set-aside funds. Agencies that apply for CHDO set-aside funds must meet certain criteria to be eligible for those funds. Missouri's Action Agencies are able to work with those hard-to-reach rural communities, and MHDC has been able to partner with these agencies and build successful housing developments.

Each metropolitan area has a CoC. The CoC's in Missouri are: Kansas City, St. Louis City, St. Louis County, Springfield, Joplin, St. Joseph, St. Charles and Balance of State. Each continuum provides oversight of federal homeless assistance dollars and collaborates with local communities to provide the best service to our residents who are homeless. In addition to local level supports, each continuum holds an appointed seat on the Governor's Committee to End Homelessness.

The faith-based community is also vital across the state; some notable developments that are currently underway include a development for veterans in the Kansas City metropolitan area and a development in St. Louis for individuals with severe and persistent mental illness.

Other strategic opportunities

Communities throughout the state utilize multiple sources of funding to address housing needs. HOME dollars are allocated to the state as well as cities, LIHTC money is often used with local housing / development funds; Missouri's DREAM initiative was used for cities throughout the state looking to redevelop their city centers, and TIF dollars are used in conjunction with housing and economic development monies. Opportunities are as unique and diversified as the communities in question.

Strategic Plan

Overview

The State has identified a number of high priority needs, and has targeted available resources toward several specific goals that are designed to address those needs. These needs include affordable housing for low income persons, the elderly, homeless and special needs persons, public improvements and facilities for low and moderate income persons, and economic development opportunities for low and moderate income persons.

The State uses a gap financing approach on the targeting of these resources, and targets them in areas that are not met via other resources.

The state agencies charged with developing and implementing this plan partner with other state, federal and local agencies to deliver the programs that meet the identified needs. In addition, these resources are used to leverage other existing resources via these partner agencies.

The State also has a monitoring plan that ensures program statutory and regulatory compliance, as well as consistency with this plan.

Geographic Priorities

Geographic Area –

Sort	Area Name	Area Type
1	Balance of State Homelessness	Local Target Area
2	Non-Entitlement Community & Economic Development	Local Target Area
3	Non-Entitlement Housing	Local Target Area
4	Statewide Housing	Local Target Area

Allocation of investments geographically within the state

The Balance of State Continuum of Care allocates funds to 101 counties in Missouri. These counties are considered rural and outside of the metro Continuum of Care (Springfield, St. Joseph, St. Louis City, St. Louis County, St. Charles, Kansas City and Joplin). This geographic allocation is agreed upon through the Governor's Committee to End Homelessness. The Emergency Solutions Grant is allocated by Continuum of Care, as recommended by MHDC. MHDC's HOME funds are allocated along with the larger Rental Production and Preservation program, which distributes funds based on percentages, funding priorities, and applications received to three regions: St. Louis metro, Kansas City metro, and the Balance of State. The Special Needs priority is also allocated as part of the larger Rental program.

Geographic Area – Statewide Housing

Neighborhood boundaries – Statewide Housing

MHDC utilizes its HOME funds set-aside for rental housing throughout the state of Missouri, so the boundaries for this target area would be the state lines.

Specific housing and commercial characteristics of this target area – Statewide Housing

The state of Missouri has 2,349,955 households within its boundaries. Of these households, there are 2,169,599 single family homes (as defined by the HOME Program) and 294,239 multi-family unit structures. 70% of households are owner-occupied, and the remaining 30% are renter-occupied. A full 65% of renter-occupied homes were built before 1980.

Consultation and citizen participation process

MHDC holds public hearings throughout the state where citizens and representatives such as developers, communities, and public agencies can voice their thoughts on our housing units and programs in their areas. The information and opinions offered at these meetings provide MHDC insights on where housing should be located within the state.

Target Area Needs – Statewide Housing

2010 ACS data shows that the majority of Missouri housing stock was built between 1970 and 1979: 428,833 units. The second largest category consists of housing units built in 1939 or earlier: 398,851 and units built between 1990 and 1999 comprise the third largest category with a total of 393,878. Units built after 2000 total 386,242, highlighting the age of the majority of the state's housing stock and thus pointing to a need for new rental construction.

Additionally, for households earning less than $35,000 statewide, twenty-five (25%) counties have over 15% of rental households paying over 30% of their income on rental housing costs. These counties are in desperate need of affordable housing for their families.

O**pportunities for improvement in this target area – Statewide Housing**

Missouri has many communities in urban, rural and suburban areas that are in close proximity to employment, good schools, transportation and other essential services. MHDC will strive to rehabilitate older housing and build new housing that is affordable to low and moderate income families in communities with the greatest need. As we

have noted throughout this report, the aging housing stock is a big concern for low-income residents in the state. Homeowner rehabilitation will be a priority as long as MHDC is able to perform the requirements of this valuable program.

Barriers to improvement in this target area – Statewide Housing

There are many barriers to provide the level of affordable housing needed across the state. Below are a few addressed throughout this plan:

- Low Area Median Income – Despite the success of the Low Income Housing Tax Credit program in terms of units produced, there continue to be issues surrounding the income eligibility requirement and how that limit is measured in rural communities. In many communities the AMI is so low that the maximum allowable rent is set at a level where many low-income renters exceed the eligibility; making the program unworkable for the intended audience. This is an issue for the HOME Program because MHDC often couples HOME Funds with the federal and state LIHTC funds.
- MHDC continues to see that the need for assistance consistently outweighs the supply. And as the primary provider for affordable housing throughout the whole state, MHDC is challenged to meet the needs of all low-income Missourians.
- Aging Housing Stock – MHDC consistently faces the dilemma between building new units throughout the state and rehabilitating and preserving the aging stock of housing units. Limited funding makes this an on-going issue.

Geographic Area – Balance of State Homelessness

Neighborhood boundaries for this target area – BoS Homelessness

The BoS CoC is made up of 101 rural counties in Missouri. The counties in the Balance of State exclude: St. Louis City, St. Louis, Lincoln, Warren, St. Charles, Andrew, Buchanan, DeKalb, Jackson, Greene, Webster, Christian, Jasper and Newton.

Specific housing and commercial characteristics of this target area – BoS Homelessness

Rural Missouri exhibits resource scarcity for families and individuals who are experiencing homelessness. Often times, people are doubled-up or couch surfing in rural counties and the real need is undercounted.

Consultation and citizen participation process – BoS Homelessness

MHDC holds quarterly Regional Housing Team Meetings throughout the state in order to bring together mainstream service providers and homeless assistance providers to

facilitate collaboration. During Regional Housing Team Meetings, providers and citizens provide input on the needs of their communities.

Target Area Needs – BoS Homelessness

- Permanent Affordable Housing
- Housing First Programs
- Transportation
- Emergency Assistance
- Home Repair

Opportunities for improvement in this target area – BoS Homelessness

MHDC will continue to provide resources to build permanent affordable housing in rural communities. MHDC will continue to provide limited funding for housing first programs. Under the ESG program, transportation is an allowable expense and could be used as a resource. The Missouri Housing Trust Fund will continue to provide emergency assistance and home repair as a priority and resource.

Barriers to improvement in this target area – BoS Homelessness

One of the largest barriers surrounding rural homelessness is awareness in the community. Often rural homelessness is hidden and the general public is not aware of the severity of the problem. Therefore, the community is not aware of the problem and thus, does not adequately address the issue. In addition, the lack of funding continues to be a barrier to rural homelessness.

Geographic Area – Non-Entitlement Housing (HeRO)

Neighborhood boundaries for this target area – HeRO

The HOME funds allocated for the Homeowner Repair Program will provide assistance with the repair, rehabilitation or reconstruction of owner-occupied units. The property must be located in the rural communities (non-metropolitan areas) or an area that has been declared a disaster area on or after July 1, 2009.

A non-metropolitan area is defined as any areas or community located outside of Missouri's Metropolitan Statistical Areas of St. Louis, Kansas City, St. Joseph, Springfield, Joplin, and Columbia.

The grantee agencies receive an allocation of funds to be used in a defined geographic region. Each participating agency may choose to target specific counties, towns, or neighborhoods in their governing areas based on their own program criteria.

Specific housing and commercial characteristics of this target area – HeRO

Eligible properties shall be owner-occupied single-family units. Property occupied by non-owners, single-wide trailers, manufactured homes not affixed to a permanent foundation, semi-detached homes, condominium units, town homes, one-half of a duplex, or properties held in contract-for-deed title shall not be eligible. The property may not be located in floodplain (flood zone A) and the unit must be at least three years old from completion of construction. In addition, the unit may not be a timeshare or cooperative home, and the unit cannot be income producing property such as a ranch or farm.

Only homes with a value equal to or less than the Maximum Property Value are eligible for rehabilitation. For purposes of the this program, Maximum Property Value is defined as the value of a home after rehabilitation which may not exceed 95% of the area median purchase price for the county within which the property is located, as determined by HUD.

Consultation and citizen participation process - HeRO

Before the State adopts the consolidated plan, citizens, public agencies and other interested parties are given access to information about the programs involved in the consolidated plan, including the amount of assistance the program expects to receive and the types of activities that are permitted. To ensure the community opportunity to have input on the proposed activities, the Commission conducts public hearings before the proposed draft Consolidated Plan is published to discuss the housing and community development needs.

Agencies are strongly encouraged not to engage in activities located within an MSA (Metropolitan Statistical Area) as those areas are eligible to receive their own HOME funding. The program is intended for rural counties that may not have access to funding found in metropolitan areas.

Target Area needs – HeRO

In 1978, the U.S. Consumer Product Safety Commission banned the residential use of paint containing more than 0.06 lead. The U.S. Center of Disease Control and

Prevention (CDC) calls childhood lead poisoning "the most common environment disease for young children." According to the Housing Market Analysis identified earlier in our Consolidated Plan (MA-20), the number of owner-occupied units built prior to 1979 is 971,631 pose a challenge for the state to address. These units may be considered to be at risk for Lead – Based Paint contamination. In addition the possibility of the lead contamination, the energy efficiency of any properties built prior to 1978 must be assessed. The Commission's Homeowner Repair Program provides assistance in lead risk reduction and improvements in heating/ cooling cost in addition to providing assistance with accessibility for the special needs population.
The following home repair activities are as described below.

- Rehabilitation – Activities such as the repair or updating of existing systems, including HVAC, plumbing or electrical wiring; repair replacement of all or part of a roof; interior or exterior painting including necessary preparation; permanent floor coverings; replacement siding; and repair of sidewalks, steps, porches, and railings.
- Lead Risk Reduction – Activities to reduce the possibility of lead poisoning, such as the removal or encapsulation of lead or lead-bearing wood trim, siding, interior or exterior walls, windows, and gutters; the removal of contaminated carpeting or flooring; and the removal and/or replacement of contaminated topsoil.
- Weatherization – Activities determined to reduce heating and/or cooling costs and to improve the overall safety and comfort of the home, such as the repair or replacement of HVAC, installation of insulated windows, caulking, and sealing of exterior walls.
- Accessibility – Activities that will make an elderly or disabled person better able to enter or move about his/her home, or to improve the overall quality of life. This includes improvements to allow the elderly to age in place, including ramps, lifts (but not elevators), re-locating light switches and service outlets, widening doorways, lowering kitchen counters, and installing roll-in showers.
- Disaster Relief / Emergency Repairs- Activities involving the repairs or reconstruction of single-family owner-occupied unit where either the Governor has proclaimed a state disaster declaration or the President has issued a federal disaster declaration.

Opportunities for improvement in this target area – HeRO

The opportunity for improvement in the target area is limited due to the reduction of the funds allocated for this program. The Program's funding has decreased over 50% which will decrease the number of household the program can reach.

Barriers to improvement in this target area – HeRO

One of the major barriers for improving the target areas is the lack of available funding. The participating agencies across the state lack the necessary funding to properly assist the number of potential applicants.

The proposed New HOME Rule underscores this limitation. Currently, when HOME funding is used for single family renovation or repairs (HeRO) there are restrictions related to the value of the property on which the repairs will be undertaken. In the past, the ceiling value was set according to the FHA 203(b) limits. That amount was approximately $190,000. The new rule eliminates the ability to use FHA 203(b) limits and replaces it with a requirement to calculate the ceiling after-rehab property value as 95% of the area median purchase price for the county within which the property is located. This is a problem for Missouri. Like many rural areas in the Midwest, Missouri's rural counties typically have a very low area median purchase price. In Sullivan County, for example, the area median purchase price is $51,000. The after-rehabilitation value of the property therefore cannot exceed $48,450. In all practicality, this change will effectively render the program unusable for some of Missouri's poorest homeowners; homeowners who need this help. Faced with the requirement to use property values established on a county-by-county basis, there is a very real possibility that Missouri's HeRO program will be discontinued if the proposed rule is finalized in its current form.

The proposed new HOME rule establishes a requirement to use the Uniform Physical Condition Standards (UPCS) inspection process for every property using HOME funds. The UPCS is not designed nor was it intended to apply to single family homes. It is an inspection process that was designed for major construction of multifamily developments and includes inspection of parking lots and common areas and playgrounds. The inspection is required to be completed on the entire property (even parts of the property not involved in the repair) and it must pass with no defects. The proposed new HOME rule requires that all major systems have at least a five year life span. Taken together, all of the proposed requirements will result in a higher funding per project ratio, reducing the number of households eligible for assistance and the overall effectiveness of the program.

Geographic Area – CDBG

The State does not target specific geographical locations for project funding. As the State administers all Consolidated Plan programs for the nonentitlement areas of Missouri, project need is the primary basis for funding rather than geographical distribution.

Priority Needs

Priority Need 1: Affordable Housing for Low-Income Households

Priority Level: High

Description: In the year 2009, there were 141,040 renter households in Missouri who paid more than 50% of their gross income for rent and utilities. Obviously, if a family must pay more than half of all of its income for their housing costs alone, this does not allow for much spending on other basic necessities such as food, clothing, health care, education, transportation, and it has an extremely negative impact on their overall quality of life. However, this is not the total universe of low-income households who need affordable housing. Nearly two-fifths of all renter households in Missouri, or 272,155 households pay more than 30% of their gross income for their housing costs.

Population:

Income Level: Extremely Low, Low

Family Types: Large Families, Families with Children, Elderly

Homeless: Rural, Individuals, Families with Children, Mentally Ill, Veterans, Unaccompanied Youth

Non-Homeless Special Needs: Elderly, Persons with Mental Disabilities, Persons with Physical Disabilities, Persons with Developmental Disabilities

Target Areas Affected: Statewide Housing

Associated Goals: Affordable Housing for Low-Income Households (Goal)

Describe Basis for Relative Priority: As the allocator for Federal Low-Income Housing Tax Credits, State Low-Income Housing Tax Credits, and the state HOME funds, MHDC is one of the main providers for affordable housing in the state of

Missouri. This has been and will continue to be one of the primary missions of MHDC.

Priority Need 2: Preservation of Affordable Housing for Low-Income

Priority Level: High

Description: As the affordable housing stock continues to age, more emphasis must be given to the rehabilitation and preservation of affordable housing for low-income persons and families. According to 2010 Census Data, 1,161,693 or 43% of all housing structures in Missouri were built before 1970. Therefore, we expect that the current affordable housing stock is also showing signs of aging and in need of substantial rehabilitation. Substandard housing is a concern for many households in the state: Census Data indicates there are 8,400 housing units in Missouri that meet the Census Bureau's definition of substandard housing. However, there are many additional units which have serious deficiencies in their electrical or plumbing systems; lack safe or adequate heating systems; or have other major structural deficiencies and are in need of substantial rehabilitation.

MHDC is placing an emphasis on the preservation of affordable housing for low-income persons and families. MHDC will use HOME and MHDC Rental Housing Production and Preservation Programs and federal and state low-income housing tax credits to provide financing equity for non-profit and private developers who propose to rehabilitate and preserve older affordable rental housing developments. Additionally, the Department of Economic Development and MHDC will provide financing and tax credits for the rehabilitation of many additional units of affordable rental housing using tax-exempt bond financing and 4% Low-Income Housing Tax Credits.

MHDC has established a HOME Repair Program for qualified non-profit agencies for the purpose of home repair, weatherization, accessibility improvements and lead abatement in owner-occupied homes. This program is available to non-profit agencies that undertake the eligible activities on behalf of low and moderate-income families in non-metropolitan statistical areas. Eligible homeowners must have incomes that do not exceed 80% of the area median income. Eligible homeowners may receive assistance in an amount not to exceed $22,500 per home.

Population:

Income Level: Extremely Low, Low

Family Types: Large Families, Families with Children, Elderly

Homeless: Rural, Individuals, Families with Children, Mentally Ill, Veterans,

Non-Homeless Special Needs: Elderly, Persons with Mental Disabilities, Persons with Physical Disabilities, Persons with Developmental Disabilities, Persons with Alcohol or Other Addictions

Target Areas Affected: Statewide Housing

Associated Goals: Preservation of Affordable Housing for Low-Income Households (Goal)

Describe Basis for Relative Priority: The state of Missouri has an aging rental and homeowner housing stock. For owner-occupied homes, MHDC works to keep homes affordable and safe through the rural Home Repair Opportunity Program (HeRO). Additionally, rental rehabilitation is a priority for MHDC, and since 2009 over 50% of the HOME rental units have been granted to rehabilitation projects.

Priority Need 3: Affordable Housing for the Elderly

Priority Level: High

Description: The State of Missouri, county, and city government officials, non-profit, and faith-based organizations and private sector must all begin to prepare now for a potential crisis in housing and related seniors in the very near future. Missouri's senior population age 65 and older is projected to increase from about 13.9% of the state's population in 2010 to 15.2% in 2015 and it may reach more than 19% in 2025. This dramatic increase in the number of seniors will undoubtedly have a profound and far-reaching impact on the supply, demand, and availability and cost of housing and related services for seniors. According to the American Community Survey data, there are 23,185 senior households with severe cost burdens (paying more than 50% of their income for their housing costs) in 2009. These seniors must make difficult choices between paying their housing and utility costs and other basic necessities such as food, medicine, healthcare, and transportation. This is a stark reality that too many seniors must confront every day in Missouri, MHDC needs to take immediate action to provide more accessible and affordable housing for seniors as well as the necessary integrated and coordinated social services to help seniors successfully age in place.

MHDC, as the state's housing finance agency, has the ability to impact the number of units of senior housing that is built in the state each year. It administers the funding available for the new construction or rehabilitation of affordable rental housing in Missouri, such as the Federal and State Low-Income Housing Tax Credit (LIHTC)

Program, MHDC Fund Balance and HOME Rental Housing Production Programs, Affordable Housing Assistance Tax Credit (AHAP) Program, Home Repair Opportunity (HeRO) Program, and the Missouri Housing Trust Fund (MHTF) Program. A recent review of MHDC showed that about two-fifths of the entire approved affordable rental housing developments financed or assisted by MHDC with its primary rental housing production programs in recent years was designated as housing for senior citizens aged 55 or older.

Additionally, MHDC has emphasized to developers and builders the need to utilize Universal Design standards as part of its ongoing rental production programs, single-family homes, and duplexes built as part of MHDC programs must be designed according to Universal Design concepts.

Population:

Income Level: Extremely Low, Low

Family Types: Elderly

Homeless: Rural, Individuals, Mentally Ill, Veterans,

Non-Homeless Special Needs: Elderly, Persons with Mental Disabilities, Persons with Physical Disabilities, Persons with Developmental Disabilities,

Target Areas Affected: Statewide Housing

Associated Goals: Affordable Housing for the Elderly (Goal)

Describe Basis for Relative Priority: Affordable housing for the elderly continues to be a need for the state of Missouri. Currently, based on HOME approvals since 2009, MHDC averages a 46% approval rate for senior HOME rental units, and we expect the current trend to continue. Through housing development, MHDC is in a position to meet the needs of seniors such as stable affordable housing costs and proximity to services.

Priority Need 4: Provide services to sheltered and unsheltered homeless individuals and families

Priority Level: High

Description: The Emergency Solutions Grant (ESG) Program is designed to identify sheltered and unsheltered homeless individuals and families, as well as those at risk of

homelessness, and provide the services necessary to help those persons quickly regain stability in permanent housing after experiencing homelessness or a housing crisis.

Population:

Income Level: Extremely low and Low

Family Types: large families, families with children, and elderly

Homeless: Rural, chronic homelessness, individuals, families with children, mentally ill, chronic substance abuse, veterans, persons with HIV/AIDS, victims of domestic violence, unaccompanied youth

Non-Homeless Special Needs: None

Target Areas Affected: Statewide Housing

Associated Goals: Emergency Solutions Grant

Describe Basis for Relative Priority: Stable permanent housing for people who are experiencing homelessness or are in a housing crisis.

Priority Need 5: Coordinate Homeless Services Throughout the State of Missouri

Priority Level: High

Description: The Continuum of Care was instituted in 1994 as a process for obtaining Supportive Housing, Shelter Plus Care, and Single Room Occupancy Mod Rehab dollars.

Population:

Income Level: extremely low and low

Family Types: large families, families with children, and elderly

Homeless: Rural, chronic homelessness, individuals, families with children, mentally ill, chronic substance abuse, veterans, persons with HIV/AIDS, victims of domestic violence, unaccompanied youth

Non-Homeless Special Needs: None

Target Areas Affected: Balance of State Homelessness

Associated Goals: Continuum of Care

Describe Basis for Relative Priority: (1) Increase utilization of Continuum of Care monies for permanent, supportive housing, (2) Increase access to mainstream services for those experiencing homelessness, and (3) Coordinate with Public Housing Agencies to assure that citizens apply for rental assistance vouchers.

Priority Need 6: Special Needs Housing

Priority Level: High

Description: Special Needs Housing is defined as developments that provide permanent supportive housing and integrated housing for persons with special needs. Persons with specials needs are those that are physically, emotionally or mentally impaired or suffer from mental illness; developmentally disabled; homeless; or a youth aging out of foster care.

Population:

Income Level: extremely low, low, moderate, middle

Family Types: large families, families with children, elderly, public housing residents

Homeless: rural, chronic homelessness, individuals, families with children, mentally ill, chronic substance abuse, veterans, persons with HIV/AIDS, victims of domestic violence, unaccompanied youth

Non-Homeless Special Needs: elderly, persons with mental disabilities, persons with physical disabilities, persons with developmental disabilities, persons with alcohol or other addictions, persons with HIV/AIDS and their families, victims of domestic violence,

Target Areas Affected: Statewide Housing

Associated Goals: Special Needs Housing

Describe Basis for Relative Priority: Increase the number of special needs units designated for the special needs population.

Priority Need 7: Public Improvements and Infrastructure

Priority Level: High

Description: Water and wastewater systems improvement needs in the state of Missouri far outweigh the available resources. Additionally, the state's Transportation Department (MoDOT) depends heavily on fuel tax and federal funds. The federal Highway Fund regularly nears insolvency and the state collects less fuel tax now than ever before due to public efforts to reduce fuel usage. The state CDBG program often partners with USDA, MoDOT, and Missouri Department of Natural Resources as a financer to meet public infrastructure needs.

Population:

Income Level: extremely low, low, moderate

Family Types: large families, families with children, elderly, public housing residents

Target Areas Affected: Statewide, non-entitled

Associated Goals: Public Infrastructure & Improvement

Describe Basis for Relative Priority: Increase the number of people with new or improved accessibility, availability, or quality of suitable living environments through construction/rehabilitation or public facilities to benefit areas with an LMI percentage of 51% or higher.

Priority Need 8: Economic Development

Priority Level: High

Description: Missouri works on multiple fronts to engage regional and local communities in identification, funding and construction of key projects related to road, rail, public drinking water, sewer and utilities infrastructure. It goes without saying that Missouri's competitive position to attract business and industry would be strongly influenced by the infrastructure capacity it can offer to existing businesses, private companies and residents.

Population:

Income Level: extremely low, low, moderate

Family Types: large families, families with children, public housing residents

Target Areas Affected: Statewide, non-entitled

Associated Goals: Job Training/Creation

Describe Basis for Relative Priority: Increase the number of people provided with new or improved availability/accessibility of economic opportunity through job creation, retention and business infrastructure assistance to for-profit companies.

Priority Need 9: Public Facilities

Priority Level: High

Description: The need for public facilities in the non-entitled areas of Missouri is evidenced by the number of applications received for the Community Facilities category each year. Over the past five years the state CDBG program has received 67 unduplicated applications from local entities seeking new or renovated facilities to house their service programs, totaling $16,810,222 in requested funds. More than $6.57 (28 projects) was denied.

Population:

Income Level: extremely low, low, moderate

Family Types: large families, families with children, elderly, public housing residents, rural homeless, homeless individuals, homeless families with children, victims of domestic violence, persons with disabilities.

Target Areas Affected: Statewide, non-entitled

Associated Goals: Public Facilities

Describe Basis for Relative Priority: Increase the number of people provided with new or improved sustainability of suitable living environments through slum and blight reduction, emergency assistance, and other rehabilitation of existing public facilities in LMI areas.

SP-30 – Influence of Market Conditions

Affordable Housing Type and Market Characteristics that will influence the use of funds available for housing type

Tenant Based Rental Assistance (TBRA)

MHDC does not utilize its state HOME funds for Tenant Based Rental Assistance. Currently, MHDC utilizes other funds such as the Missouri Housing Trust Fund, Project Based Section 8 and general MHDC resources for tenant rental assistance. We strive to meet the needs of our residents, and if it is determined that HOME Funds could be better utilized in this category, we will explore the feasibility of doing so.

TBRA for Non-Homeless Special Needs

MHDC does not utilize its state HOME funds for tenant based rental assistance. Currently, MHDC utilizes other funds such as the Missouri Housing Trust Fund, Project Based Section 8 and general MHDC resources for tenant rental assistance. We have also applied for the HUD-811 program to assist with the housing cost for some of the non-homeless special needs households in the state. We strive to meet the needs of our residents, and if it is determined that HOME Funds would be better utilized in this category, we will explore the feasibility of doing so.

New Unit Production

MHDC does not set specific goals or market characteristics to influence the use of HOME funds for new unit production, but we take other priorities into consideration such as: special needs housing, service-enriched housing, preservation and Qualified Census Tracts (QCT). Because MHDC serves the whole state of Missouri, funding is allocated based on the needs of each community.

Rehabilitation

MHDC does not set specific goals or market characteristics to influence the use of HOME funds for rehabilitation, but we take other priorities into consideration such as: special needs housing, service-enriched housing, preservation and Qualified Census Tracts (QCT). Because MHDC serves the whole state of Missouri, funding is allocated based on the needs of each community.

Acquisition, including preservation

MHDC does not set specific goals or market characteristics to influence the use of HOME funds for acquisition, including preservation, but we take other priorities into consideration such as: special needs housing, service-enriched housing, preservation and Qualified Census Tracts

(QCT). Because MHDC serves the whole state of Missouri, funding is allocated based on the needs of each community.

Anticipated Resources

Introduction

Missouri's affordable housing resources are coordinated by the Missouri Housing Development Commission (MHDC) and consist of federal resources anticipated to be available throughout the course of the Strategic Plan including low income housing tax credits (LIHTC), HOME Investment Partnership Program, Section 8 Project Based Housing Assistance, Emergency Solutions Grant and Continuum of Care. These federal resources will be coupled with private equity and the following state resources anticipated to be available throughout the course of the Strategic Plan including LIHTC, bond financings, Missouri Housing Trust Fund resources, the Affordable Housing Assistance Program ("AHAP") housing production tax credit and MHDC general funds. Through coordination of these multiple housing sources and the leverage of other outside sources, MHDC is able to efficiently provide affordable housing across the state.

Source of Funds	Source	Use of Funds	Expected Amount Available Year I		Expected Amount Available Remainder of Con Plan
CDBG	Public - Federal	Economic Development	Annual Allocation	20,000,000	80,000,000
		Water/Wastewater	Program Income		
		Community Facilities	Prior Year Resources	4,000,000	
		Demolition	**Total**	$20,000,000	$ 80,000,000
		Emergency			
Narrative: The purpose of CDBG is to provide local governments with funding opportunities for improved public facilities and infrastructure, redevelopment opportunities and opportunities for economic development, primarily for the benefit of low and moderate income persons. In FY13, the State may use up to $4,000,000 of prior year recaptured CDBG funding for water and/or wastewater projects in partnership with the Missouri Department of Natural Resources.					
HOME	Public - Federal	Multifamily rental rehab	Annual Allocation	$ 8,392,511.00	$ 33,570,044.00
		Homeowner rehab	Program Income	$ 5,000,000.00	$ 20,000,000.00
		Multifamily rental new construction	Prior Year Resources		
			Total	$ 13,392,511.00	$ 53,570,044.00
Narrative: The purpose of the HOME Investment Partnerships (HOME) Program is to expand the supply of decent, safe and affordable housing for extremely low, very low and low income households. The HOME program requires an annual match based on the amount of HOME funds drawn down from the Commission's HOME Investment Trust fund account for the fiscal year. The Commission will utilize the following sources to meet the required annual match: 1. Loans originated from the proceeds of multi-family bonds issued by the Commission. The amount of the bond contributed to the match would never exceed the 25 percent of bond proceeds used to meet its annual match requirement. 2. The Commission funds (non- federal funds) will be used to provide loans for Multi-family developments that are not HOME assisted developments. The program income estimation is based on the last five years solely for the purpose of this Consolidated Plan.					
HOPWA	Public -		Annual Allocation	501,756.00	2,007,024 .00

	Federal		Program Income		
			Prior Year Resources		
			Total	$ 532,894.00	$ 2,131,936.00

Narrative: The Missouri Department of Health and Senior Services administer the HOPWA program to prevent homelessness for the HIV case managed clients in the Outstate regions of Missouri. Because the HOPWA program is centralized within the case management system the funding is utilized for direct client services paid directly the service provider or landlord. This process has proved to be successful for several years and has reduced the number of homeless HIV individuals within the program.

ESG	Public - Federal	Conversion & rehab for transitional housing	Annual Allocation	$ 2,569,400.00	$ 10,277,600.00
		Financial assistance	Program Income		
		overnight shelter	Prior Year Resources		
		rapid rehousing (rent assistance)	**Total**	$ 2,569,400.00	$ 10,277,600.00
		rental assistance			
		services			
		transitional housing			

Narrative: The state of Missouri receives an annual allocation of Emergency Solutions Grant (ESG) funds to identify sheltered and unsheltered homeless individuals and families, as well as those at risk of homelessness, to provide the services necessary to help those persons quickly regain stability in permanent housing after experiencing homelessness or a housing crisis. The Department of Social Services receives the state allocation of ESG funds and grants the entire allocation to the Missouri Housing Development Commission who administers the program and provides funds to units of local government and non-profit agencies. The ESG Program requires a 100% match. The Missouri Housing Development Commission and the Department of Social Services will match any administration funds that are retained at 100%. The units of local government and non-profit agencies administering the ESG program must also provide a 100% match on any grant funds they are awarded. State ESG recipients are exempt from matching the first $100,000 of their allocation as long as the exemption is passed on to the agencies administering the program. MHDC will pass this match exemption on to qualified agencies. All Grantees/sub-grantees must provide at least a 100% match consisting of documented non- McKinney resources. In addition to cash, match may include the value of any lease on a building, the actual value of professional services, any salary paid to staff to carry out the program, and the value of the time and services contributed by volunteers to carry out the program.

Missouri Housing Trust Fund	Public - State	Rental Assistance	Annual Allocation	$ 3,000,000.00	$ 12,000,000.00
		Operating Funds	Program Income		
		Homeowner Rehabilitation	Prior Year Resources		
		Construction Rehabilitation	**Total**	$ 3,000,000.00	$ 12,000,000.00
		Emergency Assistance			

Narrative: The Missouri Housing Trust Fund (Trust Fund) receives its funding from a $3 recording fee collected for each real estate related document filing. Such amounts have been estimated for purposes of this Consolidated Plan. MHDC administers the Trust Fund, which provides funding for a variety of housing needs of very low income families and individuals, such as rental assistance for permanent housing, emergency assistance, rehabilitation or new construction of rental housing and home repair.

Project Based Section 8 Housing Assistance	Public - Federal	Rental Assistance	Annual Allocation	$ 124,000,000.00	$ 496,000,000.00
			Program Income		
			Prior Year Resources		
			Total	$ 124,000,000.00	$ 496,000,000.00

Narrative: MHDC is the administrator of the Project Based Section Housing Assistance Payments Program for the state of Missouri. This Program provides rental assistance to very low income individuals and families enabling them to live in affordable decent, safe and sanitary housing. The housing assistance is paid to the owner of an assisted unit on behalf of an eligible person or family.

MHDC General Funds (Fund Balance)	Public - State		Annual Allocation	$ 7,420,000.00	$ 27,500,000.00
			Program Income		
			Prior Year Resources		
			Total	$ 7,420,000.00	$ 27,500,000.00

Narrative: From its general funds, MHDC provides low interest rate construction and permanent loans to support the production and preservation of affordable housing in the state of Missouri. In addition, MHDC provides funding to support Housing First Scattered-Site programs in Missouri for purposes of providing housing to low income person(s) including families that are homeless or at risk of homelessness.

Federal LIHTC	Public - Federal	Acquisition	Annual Allocation	$ 13,500,000.00	$ 54,000,000.00
		Multifamily rental new construction	Program Income		
		Multifamily rental rehab	Prior Year Resources		
			Total	$ 13,500,000.00	$ 54,000,000.00

Narrative: MHDC is the administrator of the federal low income housing tax credit (LIHTC) program for the state of Missouri. LIHTC provides tax credit incentives to encourage private equity investment in the development of affordable housing for low-income persons/families. At least 20 percent or more of the residential units in a LIHTC development are both rent restricted and occupied by individuals whose income is 50 percent or less of AMI; or at least 40 percent or more of the units are both rent restricted and occupied by individuals whose income is 60 percent or less of AMI.

State LIHTC	Public - State	Acquisition	Annual Allocation	$ 13,000,000.00	$ 52,000,000.00
		Multifamily rental new construction	Program Income		
		Multifamily rental rehab	Prior Year Resources		
			Total	$ 13,000,000.00	$ 52,000,000.00

Narrative: Missouri's State Tax Relief Act provides that any affordable housing development that is eligible for a federal tax credit allocation is eligible for a state tax credit allocation. The amount state credits in proportion to the federal credits may be modified by the state legislature. MHDC, as the administrator of the State LIHTC, may choose to allocate no state tax credits or state credits in an amount up to the imposed statutory limit as it deems necessary for the financial feasibility of a development.

MHDC Bond Proceeds (Tax-Exempt/ Taxable)	Public - State	Multifamily rental new construction	Annual Allocation	$ 15,000,000.00	$ 25,000,000.00
		Multifamily rental rehab	Program Income		
			Prior Year Resources		
			Total	$ 15,000,000.00	$ 25,000,000.00

Narrative: MHDC sells Multifamily Housing Revenue Bonds (tax-exempt and/or taxable) to finance the production or rehabilitation of apartments at rents affordable to lower income families. Multifamily housing tax-exempt bond developments set aside at least 40 percent of their apartments for families with incomes of 60 percent of AMI or less; or 20 percent for families with incomes of 50 percent of AMI or less.

Continuum of Care (Balance of State)	Public - Federal	Conversion & rehab for transitional housing	Annual Allocation	$ 6,484,407.00	$ 25,937,628.00
		rent and utility assistance	Program Income		
		supportive services	Prior Year Resources		
		transitional housing	**Total**	$ 6,484,407.00	$ 25,937,628.00

Narrative: Missouri Housing Development Commission (MHDC) is the lead agency for the Balance of State Continuum of Care. The Balance of State Continuum of Care is made up of the 101 rural counties, outside of the urban areas in Missouri. MHDC is not a unified funding source and currently only provides the technical assistance for agencies funded through the Balance of State Continuum of Care. MHDC has the goal of becoming a unified funding source by the next consolidated plan.

MO Affordable Housing	Public - Federal	mult family rental construction	Annual Allocation	$ 11,000,000.00	$ 44,000,000.00
		Operating Funds	Program Income		

Assistance Program (AHAP)		Donation Credit	Prior Year Resources		
			Total	$ 11,000,000.00	$ 44,000,000.00
Narrative: AHAP is an incentive program that issues tax credits to qualified businesses and individuals with business interests who make donations to non-profit organizations that assist in the production of affordable rental housing or homeownership for low-income families in Missouri. The amount of tax credit allocated is equal to 55% of the value of the donation. The non-profit organizations will use AHAP donations along with grants, loans and other donations to fulfill their missions.					

Leveraging additional resources with federal funds

MHDC leverages its federal funding, such as HOME funds, in the rental production and rehabilitation program with many funding sources such as state and federal Low-Income Housing Tax Credits, bond proceeds, the Missouri Affordable Housing Assistance Program, MHDC's funds, private equity, and many other outside sources. Of the seventy-eight HOME developments approved since 2009, over seventy-five percent of them have additional MHDC resources invested in them, such as tax credits, tax-exempt bonds, or MHDC general funds.

The HOME program requires an annual match based on the amount of HOME funds drawn down from the Commission's HOME Investment Trust fund account for the fiscal year. The Commission will utilize the following sources to meet the required annual match: 1. Loans originated from the proceeds of multi-family bonds issued by the Commission. The amount of the bond contributed to the match would never exceed the 25 percent of bond proceeds used to meet its annual match requirement. 2. The Commission funds (non- federal funds) will be used to provide loans for Multi-family developments that are not HOME assisted developments. The program income estimation is based on the last five years solely for the purpose of this Consolidated Plan.

The CDBG program does not require a local match, but uses CDBG as a gap financing tool. Local governments are required to exhaust all local and other state/federal funding sources prior to using CDBG for the final funding gap for the project. Generally, state CDBG funds are the last component of a project's funding package. Local and other state/federal funding resources are committed prior to the injection of CDBG.

Discussion

Missouri's affordable housing resources are coordinated by the Missouri Housing Development Commission (MHDC) and consist of federal resources anticipated to be available throughout the course of the Strategic Plan including low income housing tax credits (LIHTC), HOME Investment Partnership Program, Section 8 Project Based Housing Assistance, Emergency Solutions Grant and Continuum of Care. These federal resources will be coupled with private equity and the following state resources anticipated to be available throughout the course of the Strategic Plan including LIHTC, bond financings, Missouri Housing Trust Fund resources, the Affordable

Housing Assistance Program ("AHAP") housing production tax credit and MHDC general funds. Through the coordination of these multiple housing sources and the leverage of other outside sources, MHDC is able to efficiently provide affordable housing across the states.

Missouri's system of funding water and wastewater projects is a formal multi-agency partnership, and is coordinated by the Department of Economic Development. It also includes the State Department of Natural Resources and the U.S. Department of Agriculture-Rural Development. This partnership maximizes the use of available loan funds, using CDBG and USDA grant dollars as gap financing tools to keep the project affordable for low and moderate income communities.

Institutional Delivery Structure

Responsible Entity –

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Counseling/Advocacy		X	
Legal Assistance		X	
Mortgage Assistance		X	
Rental Assistance		X	
Utilities Assistance		X	
Street Outreach Services			
Law Enforcement		X	
Mobile Clinics		X	
Other Street Outreach Services		X	
Supportive Services			
Alcohol & Drug Abuse		X	
Child Care		X	
Education		X	
Employment & Employment Training		X	
Healthcare		X	
HIV/AIDS		X	
Life Skills		X	
Mental Health Counseling		X	
Transportation		X	
Other		X	

Strengths and gaps in the institutional delivery system

MHDC has a Community Initiatives Department which is tasked with drastically reducing and ultimately ending homelessness in Missouri. By utilizing one department to administer most of the homeless assistance programs throughout the state, funding can be effectively coordinated for the goal of ending homelessness in Missouri. Although the state is able to target a large variety of services to the homeless population, there are undoubtedly various gaps in different communities, especially those in rural areas.

The Department of Economic Development partners with various state and federal agencies (including, but not limited to the Missouri Department of Natural Resources, Missouri Department of Transportation, Delta Regional Authority, U.S. Department of Agriculture – Rural Development, U.S. Department of Commerce – Small Business Administration, State and Federal Emergency Management Agencies, and the Economic Development Administration) to collectively meet the needs of eligible areas of the State. In addition, the Department has an excellent relationship with the Missouri regional planning commissions.

Availability of services targeted to homeless persons with HIV and mainstream services

Once enrolled in Ryan White Case Management the client can be referred to a litany of Core and Supportive mainstream services through this program. MDHSS targets all HOPWA funding towards direct housing assistance payments in order to fully maximize the funding. Any client identified at intake with a housing need is immediately referred to either Ryan White emergency assistance or HOPWA housing services through a statewide reporting system to expedite payment for the assistance.

Services targeted, and made available, to homeless person and persons with HIV

The HOPWA program provides direct assistance, without the use of subcontractors, for short term rent, short term utilities, long term rent and short term mortgage assistance. Once enrolled in the Ryan White Case Management system the client is provided access to core and support services through the case management system including; housing related services, medical Care, mental health counseling, substance abuse counseling, oral health services, emergency assistance, HIV medications, health insurance assistance (premium, out of pocket, and co-pay), and medical transportation.

Strengths and gaps of the service delivery system for special needs populations and persons experiencing homelessness

MHDC has a Community Initiatives Department which is tasked with drastically reducing and ultimately ending homelessness in Missouri. As a state housing finance agency, MHDC administers the Missouri Housing Trust Fund, Emergency Solutions Grant program, Balance of State Continuum of Care, Housing First program, HMIS funding, Disaster Relief Funding, homeless study, and Special Needs Housing priority through LIHTC. By utilizing one department to administrate most of the homeless assistance programs throughout Missouri, funding can be effectively coordinated for the goal of ending homelessness in Missouri.

Summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

MHDC has a Community Initiatives Department which is tasked with drastically reducing and ultimately ending homelessness in Missouri. As a state housing finance agency, MHDC administers the Missouri Housing Trust Fund, Emergency Solutions Grant program, BoS CoC, Housing First program, HMIS funding, Disaster Relief Funding, homeless study, and Special Needs Housing priority through LIHTC. Oversight from its Community Initiatives Department for the majority of the homeless assistance programs throughout Missouri which allows the better coordination of funds, consistency of program goals and policies and ultimately, helps end homelessness in Missouri.

The Department of Economic Development will continue its relationship with partner agencies (state, federal and local) to meet the non-housing community development needs of Missouri.

Goals

Goal 1: Affordable Housing for Low-Income Households

Description: In the year 2009, there were 141,040 renter households in Missouri who paid more than 50% of their gross income for rent and utilities. Obviously, if a family must pay more than half of all of its income for their housing costs alone, this does not allow for much spending on other basic necessities such as food, clothing, health care, education, transportation, and it has an extremely negative impact on their overall quality of life. In addition, nearly two-fifths of all renter households in Missouri, or 272,155 households pay more than 30% of their gross income for their housing costs.

The bulk of the state's housing resources come from MHDC, the state's housing finance agency. MHDC annually issues a "Notice of Funding Availability" for the Rental Housing

Production and Preservation Program which provides low-interest financing to non-profit and private developers of affordable rental housing in Missouri. These funds are used in conjunction with federal and state low-income housing tax credits to create the majority of affordable rental housing in the state. When reviewing proposals for financing and tax credits, MHDC gives priority to those proposals that serve the lowest income tenants and projects that serve qualified tenants for the largest periods of time. Proposals must also meet a demonstrated need for housing in a given community. More specific information on evaluation factors and selection criteria that may be required can be found in the MHDC Low-Income Tax Credit 2013 QAP.

Category: Affordable Housing

Start Year: 2013

End Year: 2017

Outcome: Affordability

Objective: Provide decent affordable housing

Geographic Areas Available: statewide

Priority Needs Addressed: Affordable Housing for Low-Income Households

Funding Allocated: $13.6M in HOME Funds* 5 years = $68,000,000

Goal Outcome Indicator:

- Rental Units Constructed - 8,600 Household Housing Units
- Rental Units rehabilitated - 5,160 Household Housing Units
- Homelessness Prevention - 2,250 Persons Assisted
- Jobs created/retained - 923 Jobs
- Housing for Homeless Added - 900 Household Housing Units

Goal 2: Preservation of Affordable Housing for Low-Income Persons and Families

Description: As the affordable housing stock continues to age, more emphasis must be given to the rehabilitation and preservation of affordable housing for low-income persons and families. According to 2010 Census Data, 1,161,693 or 43% of all housing structures in Missouri were built before 1970. Much of this affordable housing stock is showing signs of aging and in need of substantial rehabilitation. Substandard housing is a concern for many households in the state: Census Data indicates there are 8,400 housing units in Missouri that meet the Census Bureau's definition of substandard

housing. However, there are many additional units which have serious deficiencies in their electrical or plumbing systems; lack safe or adequate heating systems; or have other major structural deficiencies and are in need of substantial rehabilitation.

MHDC is placing an emphasis on the preservation of affordable housing for low-income persons and families. MHDC will use HOME and MHDC Rental Housing Production and Preservation Programs and federal and state low-income housing tax credits to provide financing equity for non-profit and private developers who propose to rehabilitate and preserve older affordable rental housing developments. Additionally, the Department of Economic Development and MHDC will provide financing and tax credits for the rehabilitation of many additional units of affordable rental housing using tax-exempt bond financing and 4% Low-Income Housing Tax Credits.

MHDC has established a HOME Repair Program for qualified non-profit agencies for the purpose of home repair, weatherization, accessibility improvements and lead abatement in owner-occupied homes. This program is available to non-profit agencies that undertake the eligible activities on behalf of low and moderate-income families in non-metropolitan statistical areas. Eligible homeowners must have incomes that do not exceed 80% of the area median income. Eligible homeowners may receive assistance in an amount not to exceed $22,500 per home.

Category: Affordable Housing

Start Year: 2013

End Year: 2017

Outcome: Affordability

Objective: Provide decent affordable housing

Geographic Areas Available: statewide

Priority Needs Addressed: Affordability

Funding Allocated: ($13.6M in HOME Funds* 5 years = $68,000,000) * 50% = **$34,000,000**

Goal Outcome Indicator:

- Rental Units rehabilitated – 5,160 Household Housing Units
- Homeowner Housing Rehabilitated - 86 Household Housing Unit
- Homelessness Prevention - 1,175 Persons Assisted

- Jobs created/retained - 923 Jobs
- Housing for Homeless Added - 450 Household Housing Unit

Goal 3: Affordable Housing for the Elderly

Description: The State of Missouri, county, and city government officials, non-profit, and faith-based organizations and private sector must all begin to prepare now for a potential crisis in housing and related seniors in the very near future. Missouri's senior population age 65 and older is projected to increase from about 13.9% of the state's population in 2010 to 15.2% in 2015 and it may reach more than 19% in 2025. This dramatic increase in the number of seniors will undoubtedly have a profound and far-reaching impact on the supply, demand, and availability and cost of housing and related services for seniors. According to the American Community Survey data, there are 23,185 senior households with severe cost burdens (paying more than 50% of their income for their housing costs) in 2009. These seniors must make difficult choices between paying their housing and utility costs and other basic necessities such as food, medicine, healthcare, and transportation. This is a stark reality that too many seniors must confront every day in Missouri; MHDC needs to take immediate action to provide more accessible and affordable housing for seniors as well as the necessary integrated and coordinated social services to help seniors successfully age in place.

MHDC, as the state's housing finance agency, has the ability to have a impact on the number of units of senior housing that is built in the state each year. It administers a great deal of the funding available for the new construction or rehabilitation of affordable rental housing in Missouri. MHDC administers programs such as the Federal and State Low-Income Housing Tax Credit (LIHTC) Program, MHDC Fund Balance and HOME Rental Housing Production Programs, Affordable Housing Assistance Tax Credit (AHAP) Program, Home Repair Opportunity (HeRO) Program, and the Missouri Housing Trust Fund (MHTF) Program. About about two-fifths of the approved affordable rental housing developments financed or assisted by MHDC with its primary rental housing production programs in recent years has been designated as housing for senior citizens aged 55 or older.

Additionally, MHDC has emphasized to developers and builders the need to utilize Universal Design standards as part of its ongoing rental production programs, single-family homes, and duplexes built as part of MHDC programs.

Category: Affordable Housing

Start Year: 2013

End Year: 2017

Outcome: Availability/Accessibility

Objective: Create Suitable Living Environments

Geographic Areas Available: statewide

Priority Needs Addressed: Affordable Housing for the Elderly

Funding Allocated: ($13.6M in HOME Funds* 5 years = $68,000,000) * 46% = **$31,280,000**

Goal Outcome Indicator:

- Rental Units Constructed - 3,440 Household Housing Units
- Rental Units rehabilitated - 2,064 Household Housing Units
- Jobs created/retained - 923 Jobs

Goal 4: Continuum of Care (CoC)

Description: The Continuum of Care was instituted in 1994 as a process for obtaining Supportive Housing, Shelter Plus Care, and Single Room Occupancy Mod Rehab dollars.

Category: Homeless

Start Year: 2013

End Year: 2017

Outcome: Accessibility/Availability

Objective: Provide Decent Affordable Housing

Geographic Area Available: Balance of State Homelessness

Priority Need Addressed: Coordinate Homeless Services throughout the State of Missouri

Funding Allocated: $6.84M in CoC Funds* 5 years = **$34,200,000**

Goal Outcome Indicator:

- Overnight/Emergency Shelter/Transitional Housing Beds Added – 250 Beds

Goal 5: Emergency Solutions Grant (ESG)

Description: The ESG Program is designed to identify sheltered and unsheltered homeless individuals and families, as well as those at risk of homelessness, and provide the services necessary to help those persons quickly regain stability in permanent housing after experiencing homelessness or a housing crisis.

Category: Homeless

Start Year: 2013

End Year: 2017

Outcome: Availability/Accessibility

Objective: Create Suitable Living Environments

Geographic Areas Included: Statewide housing

Priority Needs Addressed: Provide Services to Sheltered and Unsheltered Homeless Individuals and Families

Funding Allocated: $2.6M in ESG Funds * 5 years = **$13,000,000**

Goal Outcome Indicator:

- Tenant-based rental assistance/Rapid rehousing – 2,500 Households Assisted
- Homelessness Prevention – 10,000 Persons Assisted

Goal 6: Special Needs Housing

Description: Special Needs Housing is defined in MHDC's Qualified Allocation Plan and is currently a 33% priority.

Category: Affordable Housing; homeless; Non-Homeless Special Needs

Start Year: 2013

End Year: 2017

Outcome: Availability/Accessibility

Objective: Create Suitable Living Environments

Geographic Areas Included: Statewide Housing

Priority Needs Addressed: Special Needs Housing

Funding Allocated: 33% of 5 year HOME Funds = **$22,440,000**

Goal Outcome Indicator:

- Add 180 permanent housing units per year (900 units in 5 years)
- Rental Constructed Units – 450 Household Housing Units
- Rental Units Rehabilitated – 450 Household Housing Units

Goal 7: HOPWA

Description: Five year goals for the number of households to be provided housing through the use of HOPWA.

Category: Affordable Housing; homeless; Non-Homeless Special Needs

Start Year: 2013

End Year: 2017

Outcome: Availability/Accessibility

Objective: Create Suitable Living Environments

Geographic Areas Included: Statewide Housing

Priority Needs Addressed: Special Needs Housing

Funding Allocated: $532,894 per year for 5 years: **$2,131,936**

Goal Outcome Indicator:

- Short-term rent, mortgage, and utility assistance payments for 550 households
- Tenant-based rental assistance for 625 households
- Total: 1,175 households

Goal 8: Job Training/Creation

Description: Increase the number of people provided with new or improved availability/accessibility of economic opportunity through job creation, retention and business infrastructure assistance to for-profit companies.

Category: Non-housing community development

Start Year: 2013

End Year: 2017

Outcome: Availability/Accessibility

Objective: Create economic opportunity

Geographic Areas Included: Statewide, non-entitled

Priority Needs Addressed: Economic Development

Funding Allocated: $10 million per year for 5 years: **$50 million**

GOAL OUTCOME INDICATOR:

- Number of Jobs Created or Retained: 2,500

Goal 9: Public Infrastructure & Improvement

Description: Increase the number of people with new or improved accessibility, availability, or quality of suitable living environments through construction/rehabilitation of public facilities to benefit areas with an LMI percentage of 51% or higher.

Category: Non-housing community development

Start Year: 2013

End Year: 2017

Outcome: Availability/Accessibility/Suitable Living Environment

Objective: Create a Suitable Living Environment

Geographic Areas Included: Statewide, non-entitled

Priority Needs Addressed: Public Improvements and Infrastructure

Funding Allocated: $7,050,000 per year for 5 years: **$35,250,000**

Goal Outcome Indicator:

- Number of people served with Public Infrastructure & Improvement activities other than Low to Moderate Housing benefit: 75,000

Goal 10: Public Facilities

Description: Increase the number of people provided with new or improved sustainability of suitable living environments through slum and blight reduction, emergency assistance and other rehabilitation of existing public facilities in LMI areas.

Category: Non-housing community development

Start Year: 2013

End Year: 2017

Outcome: Availability/Accessibility/Suitable Living Environment

Objective: Create a Suitable Living Environment

Geographic Areas Included: Statewide, non-entitled

Priority Needs Addressed: Public Faclities

Funding Allocated: $2,250,000 per year for 5 years: **$11,250,000**

Goal Outcome Indicator:

- Number of people served with Public Facilities activities other than Low to Moderate Housing benefit: 200,000
- Number of blighted structures demolished: 150

Public Housing Accessibility and Involvement

Need to increase the number of accessible units (if required by a Section 504 Voluntary Compliance Agreement)

MHDC does not own or operate assisted housing units directly.

Activities to increase resident involvement

MHDC does not own or operate assisted housing units directly.

For those Project Based Section Eight properties within our portfolio, MHDC's Resident Relations department acts as a liaison between the residents and management companies. As liaison MHDC staff encourages communication between all interested parties to ensure that resident input is considered and access to management is improved. A toll-free hotline number is posted at all Project Based Section Eight properties for resident use in cases where an issue is not resolved in a timely manner. MHDC staff provides follow up to make certain issues are resolved.

As the state housing finance agency, MHDC does not manage or oversee funds to any of the 100+ Public Housing Authorities throughout the state. We will continue to work with the Public Housing Authorities to house Missouri's low-income households to the extent that it is

necessary. MHDC acts as the Performance Based Contract Administrator for the Project Based Section Eight program.

Strategic Plan Barriers to Affordable Housing

Barriers to Affordable Housing

- Low Area Median Income – The Low Income Housing Tax Credit (LIHTC) is the country's primary vehicle for the production of affordable rental housing. The program has placed over 2,000,000 units of affordable housing in service since its inception and continues to be the nation's largest program designed to meet this need. Despite the success of the program in terms of units produced, there continue to be issues surrounding the income eligibility requirement and how that limit is measured in rural communities. Federal statutes require that the maximum rent guidelines be gauged to 60% of area median income (AMI). In many rural communities the AMI is so low that the maximum allowable rent is set at a level where many low-income renters exceed the eligibility; making the program unworkable for the intended audience. Missouri's minimum wage is currently $7.25 per hour. Assuming a household with two full time, minimum wage earners, living in Taney County, Missouri - each parent earns a salary of $15,080 per year for a combined household income of $30,160. The 2011 AMI for Taney County is $50,400; 50% of AMI is $25,200, 60% is $30,240. That two income household will not qualify for a LIHTC unit if income eligibility is set at 50% AMI and barely qualifies for units set at 60% AMI. 53 of Missouri's 115 counties have AMI levels so low that households with two full time, minimum wage workers will not qualify for LIHTC units.
- Limited Funding for Affordable Home Ownership Programs – Beginning in 2000, Missouri has used the majority of its HOME monies for the production of multifamily affordable housing developments. The decrease in HOME funding for the state has meant narrowing priorities to where the need is greatest.
- Limited Funding for Affordable Housing Development – As the administrator for federal and state Low Income Housing Tax Credit (LIHTC) funds, MHDC has and continues to see that the need for such assistance consistently outweighs the supply. Changes to the state LIHTC have been discussed for many years without resolution – capping the credit, decreasing the time frame for redemptions, and eliminating the state credit all together. Interest in modifying the state LIHTC program persists; the upcoming legislative session will most likely carry that debate forward. Any changes to the LIHTC, state and/or federal, will affect the efficacy of the program, the appetite for state tax credits by investors and ultimately, the availability of quality, affordable, housing throughout the state.

- Limited Funding for the Missouri Housing Trust Fund – The Missouri Housing Trust Fund (MHTF) is a statutorily created fund, capitalized by a $3 recording fee, to be used to meet the housing needs of low income Missourians throughout the state. Dependent exclusively on the level of real estate activity, the amount of funds available through the MHTF changes annually. Subsequently, the requests for funds consistently outweigh the amount of money available; leaving roughly three-fourths of the requests unmet each year. For FY 2013 the MHTF has collected $3,343,807 for allocation; applications for FY 2013 MHTF funding totaled $14,963,212. Efforts to increase or supplement the amount of money collected for the MHTF have been explored over the years without success.
- Aging Housing Stock – MHDC consistently faces the dilemma between building new units throughout the state and rehabilitating and preserving the aging stock of housing units. Limited funding makes this an on-going issue.

Strategy to remove or ameliorate the barriers to affordable housing

MHDC will work with the Missouri Congressional delegation and the National Council of State Housing Agencies and the U.S. Congress to improve the Low Income Housing Tax Credit Program for purposes of making it more equitable and workable in low income rural communities in Missouri. Using a statewide average median income for determining eligibility for the LIHTC program expands the number of working families and seniors who would qualify to live in a LIHTC unit. This simple programmatic change would enable more LIHTC developments to be viable in some rural communities and help more families benefit from the affordable rents provided by LIHTC apartments.

MHDC is fortunate to be one of a few states that have a state LIHTC to augment the federal LIHTC and generate additional equity, lower rents and finance higher quality housing with more amenities for low-income families and seniors. However, due to state budgetary constraints there have been and will continue to be efforts to reduce, reform or eliminate the state LIHTC. MHDC will continue to work with legislators and state elected officials to make the credit more efficient and to make sure the state realizes the full benefits from the economic activity and community revitalization that the LIHTC provides.

MHDC will continue to work with state policy makers and its public and private sector partners to remove or ameliorate these and other barriers to affordable housing as they are identified and we will strive to leverage any additional public or private resources that can help alleviate the tremendous need for affordable rental housing, homeownership and homeless assistance and prevention.

Homelessness Strategy

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The state of Missouri holds Project Homeless Connect events throughout the state annually that provide the opportunity to reach out to unsheltered homeless individuals and families. Missouri conducts the Point-in-Time Count twice per year which allows for outreach to unsheltered homeless individuals and families. Additionally, ESG funds allow for agencies to apply for street outreach dollars. Each CoC is expected to discuss outreach strategies in their CoC applications and 10 year plans.

Addressing the emergency shelter and transitional housing needs of homeless persons

Missouri is moving toward a rapid re-housing model and strategies such as shelter diversion are discussed at the Governor's Committee to End Homelessness. Emergency shelters and transitional housing programs play an important role in the continuum of assistance and Missouri is working toward targeting emergency shelter and transitional services to the most appropriate populations.

Helping homeless persons make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Through the Governor's Committee to End Homelessness all Missouri CoC's are collaborating on strategies to create the continuum of assistance described above. Specifically, CoC's are working towards aligning their goals with other Missouri CoC's and the Federal Strategic Plan to end homelessness that addresses this continuum and sub-populations. Missouri CoC's are developing coordinated intake systems that will focus on assisting a household with the most appropriate service and in turn shortening the period of time that individuals and families experience homelessness.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, metal health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

The GCEH implemented a statewide discharge policy in December of 2011. The policy states that every effort will be made to secure housing for our citizens, and discharging our citizens into homelessness is unacceptable. More specifically, the policy addresses discharge policies for health care facilities, mental health facilities and foster care and other youth facilities.

Lead-based Paint Hazards

Actions to address LBP hazards and increase access to housing without LBP hazards

MHDC has a Lead Based Paint Policy and Procedures for the rental rehabilitation program, which is located in the "Guidelines for Rehabilitation Projects." Below is the current policy:

1) MHDC requires a physical needs assessment for all rental housing production proposals for the rehabilitation of existing buildings. The physical needs assessment must include an assessment of the presence or suspected presence of lead-based paint, asbestos or mold for all proposals.
2) Developers must provide the age of the structure as requested in the Rental Production application FIN-100.
3) Developers must submit the following documents with the application for firm commitment as specified in the conditional reservation agreement issued for the development:

a) Lead Hazard Evaluation Procedures; and
b) Lead Hazard Reduction Procedures.

As the result of the firm submission review, MHDC staff shall indicate the required lead hazard reduction work and protective measures to be followed during construction.
4) Prior to the conversion or closing of a permanent loan with MHDC, the borrower shall provide:

a) Tenant Notification Procedures;
b) Lead Clearance;
c) Contractor's Abatement License;
d) Contractor's certification of completion of a lead-safe work practices training program for each worker that comes in contact with lead; and
e) Ongoing Maintenance Procedures, if required.

In addition to these procedures, MHDC has guidelines for the Physical Needs Assessment, which is submitted with the application for funding. Among other things, this document addresses the need and requirement for a lead-based paint assessment.

The Homeowner Rehabilitation Program (HeRO) also details lead-based paint requirements. Sub-recipients are required to provide their own procedures for addressing lead-based paint

issues within the single-family homes they will be rehabilitating, including staff and contractor certifications and procedures for lead risk assessment.

In the 2011 HOME Fiscal year, of the 105 HOME rental units rehabilitated, 37 of those triggered a Lead Based Paint Investigation because they were completed before January 1, 1978. Also, of the 197 single-family homeowner occupied units that were rehabilitated, 183 were built before 1978. These 220 units directly increased access to housing units throughout Missouri with Lead-Based paint hazards remediated.

Integrating the actions listed above into housing policies and procedures

All of the information listed above is located within MHDC's official Policy and Procedures manuals and/or must be addressed in applications for funding. MHDC has staff devoted to all environmental hazards that may arise at any point during the development and construction phases, including lead based paint.

Anti-Poverty Strategy

Jurisdiction goals, programs, and policies for reducing the number of poverty-level families

MHDC has a Community Initiatives Department which is tasked with drastically reducing and ultimately ending homelessness in Missouri. As a state housing finance agency, MHDC administers the Missouri Housing Trust Fund, Emergency Solutions Grant program, Balance of State Continuum of Care, Housing First program, HMIS funding, Disaster Relief Funding, homeless study, and Special Needs Housing priority through LIHTC. By utilizing one department to administer most of the homeless assistance programs throughout Missouri, funding can be effectively coordinated for the goal of ending homelessness in Missouri.

Coordination of poverty reducing goals, programs, and policies with affordable housing plan

MHDC administers the annual allocation of the state and federal LIHTC. Reliant on partnerships between private companies and public entities, the LIHTC program is the most successful tool used to produce affordable housing throughout the state. More housing translates into fewer households that are cost burdened and severely cost burdened.
MHDC works with each jurisdiction in the state of Missouri when approving federal and state housing credits to build affordable housing. Each jurisdiction is asked to prioritize the need of affordable housing units.

Monitoring

Standards and procedures the state will use to monitor activities carried out in furtherance of the plan and to ensure long-term compliance with requirements of the programs involved

Each agency involved in the Consolidated Planning process will monitor its own grantees in accordance with established procedures and standards for the particular program. Each is briefly explained below.

Emergency Solutions Grant: MHDC, as the Department of Social Services sub-grantee of Missouri's Emergency Solutions Grant Program will monitor grants made to City/County governments and non-profit sub-recipients for compliance with the regulations outlined in 24 CFR Parts 91 and 576. The monitoring will include on-site review of payment requests and back-up documentation submitted to MHDC for reimbursement as required by each grant agreement. Additionally, the compliance officer will review in-kind matching documentation and ensure that ESG expenditures are obligated and spent within regulatory deadlines.

Balance of State Continuum of Care: Grant contracts are executed between the non-profits administering the funds and HUD. Therefore, HUD monitors BoS CoC grants. MHDC staff provides technical assistance to agencies including one site visit annually for the purpose of helping the agencies stay complaint with HUD regulations.

Housing Opportunities for Persons with AIDS: The Section performs an on-site monitoring visit at least twice yearly to the fiduciary agent for the HOPWA program. Standard monitoring forms, DH-40 and DH-41, are used to record compliance on major aspects of program performance, including: record confidentiality and retention, budget and fiscal record, and annual fiscal audit.

In addition to routinely reviewing the activities of the fiduciary agent, the Section monitors additional progress toward meeting goals by reviewing client files at local case management sites to assure that HOPWA funds are targeted to those most in need, and to assure that recipients are provided sufficient support to identify ways to reach independence.

Rental Housing Production: MHDC's standard construction financing procedures require that a regulatory agreement be recorded along with other loan documents for all rental production developments funded through HOME. The Asset Management Department examines Tenant Eligibility and Income Certifications on a regular basis. The owner is responsible for delivering or obtaining appropriate management services for the development to insure that the units are suitable for occupancy, meet Uniform Physical Condition Standards (UPCS), and meet local

health, safety, and building codes. Furthermore, the owner must comply with applicable policies that govern the HOME program.

MHDC may audit HOME-funded developments each year for compliance with re-certification of tenant income, review of rent and utility allowances, compliance with UPCS, owner's written agreements including the Affirmative Fair Housing Marketing Plan and the Management Plan and Certification, and submission of annual audited financial statements for all developments receiving HOME funds.

HOME Repair (HeRO) Program: In addition to periodic monitoring of the project, the sub-grantee must also establish and maintain sufficient records to enable HUD and MHDC to determine whether the sub-grantee has followed all requirements.

Annually, the agency will be audited to ensure the projects comply with IRS and HUD regulations including: *24 CFR Part 92* - Federal HOME Rule, *24 CFR Part 35* - HUD's lead-based paint regulations, and *24 CFR Part 58* —HUD's Environmental Review Procedures. 10% of the selected homes will be visited to ensure the Environmental Review Report was accurate.

McKinney-Vento Homeless Assistance Funds: MHDC serves as the lead agency for the Balance of State Continuum of Care and performs annual review of projects in the continuum. MHDC provides technical assistance to agencies and assists them in meeting their program goals and staying in compliance with HUD. HUD is the ultimate grantor of funds to the BoS agencies and performs all monitoring visits.

Community Development Block Grant: Monitoring checklists of all compliance areas have evolved over the years of administering the Community Development Block Grant by state staff. These checklists are provided to all grantees during the initial training for grant administration to clarify compliance requirements and to inform the grantees of the areas to be monitored.

From the beginning, the grantee has been required to submit to the state field representative for that area all required ordinances/resolutions involving excessive force, anti-lobbying, and fair housing; all financial paperwork setting up the grant; and enough environmental paperwork to be able to allow the release of funds. All federal wage determinations are requested through the CDBG office to assure compliance with labor standards. Start of construction notices must be sent, along with the grantee checking the federal debarred contractors' list, the contractor's certification to do business in Missouri, and documentation of the contractor's approved surety through the state.

The field representative will evaluate the new project in terms of risk or need for oversight or assistance. This evaluation will include the grantee's past performance, the administrator's track record, the complexity of the project, and the amount of CDBG assistance awarded. The

field representative will decide, with the consensus of program management, whether the project requires one or two field monitoring. The field monitoring will take place at strategic times in the life of the project. An interim monitoring is set up after the first construction payroll is received by staff on public facilities projects or after first houses are completed on neighborhood development projects. A closeout monitoring is conducted any time after 80% draw-down of funds has occurred.

Technical assistance visits may be scheduled any time necessary, in addition to the required monitoring visit. For economic development grantees, transition meetings are conducted in the field after initial award commitment to introduce the compliance field representative and confirm to all parties involved the intricacies of the grant conditions.

Training is conducted on **internal monitoring**, as well as stressed in the administrative manual of the CDBG program. The four primary components of CDBG monitoring are progress on planned activities, program compliance, fiscal management, and fiscal compliance. It is the responsibility of each CDBG grant recipient to develop a system to assure that the financial and program compliance provisions established by federal and state law and supporting regulations and provisions are met. In addition to complying with all appropriate provisions, recipients must be assured that outside contractors and delegate agencies are likewise in compliance with the various laws and regulations. This will require development of a monitoring system that will allow recipients to:

- Manage their community development program as a whole, and individual projects and activities substantially, as described in the approved CDBG application;
- Maintain program or project progress;
- Determine that costs charged to the project are eligible;
- Ensure that all program activities comply with all applicable laws and regulations and terms of the grant agreement; and
- Minimize the opportunity for fraud, waste, and mismanagement.

The State of Missouri

FY2013

Consolidated Plan

ACTION PLAN

Prepared by:

The Missouri Department of Economic Development
in Coordination with

The Missouri Housing Development Commission
The Missouri Department of Social Services
The Missouri Department of Health & Senior Services

April 2013

Annual Action Plan

Annual Goals and Objectives

Goal 1: Affordable Housing for Low-Income Households

Description: In the year 2009, there were 141,040 renter households in Missouri who paid more than 50% of their gross income for rent and utilities. Obviously, if a family must pay more than half of all of its income for their housing costs alone, this does not allow for much spending on other basic necessities such as food, clothing, health care, education, transportation, and it has an extremely negative impact on their overall quality of life. In addition, nearly two-fifths of all renter households in Missouri, or 272,155 households pay more than 30% of their gross income for their housing costs.

The bulk of the state's housing resources come from MHDC, the state's housing finance agency. MHDC annually issues a "Notice of Funding Availability" for the Rental Housing Production and Preservation Program which provides low-interest financing to non-profit and private developers of affordable rental housing in Missouri. These funds are used in conjunction with federal and state low-income housing tax credits to create the majority of affordable rental housing in the state. When reviewing proposals for financing and tax credits, MHDC gives priority to those proposals that serve the lowest income tenants and projects that serve qualified tenants for the largest periods of time. Proposals must also meet a demonstrated need for housing in a given community. More specific information on evaluation factors and selection criteria can be found in the MHDC Low-Income Tax Credit 2013 QAP.

Category: Affordable Housing

Start Year: 2013

End Year: 2013

Outcome: Affordability

Objective: Provide decent affordable housing

Geographic Areas Available: statewide

Priority Needs Addressed: Affordable Housing for Low-Income Households

Funding Allocated: $13.6 million in HOME Funds

Goal Outcome Indicator:

- Rental Units Constructed - 1,720 Household Housing Units
- Rental Units rehabilitated - 1032 Household Housing Units
- Homelessness Prevention - 450 Persons Assisted
- Jobs created/retained - 184 Jobs
- Housing for Homeless Added - 180 Household Housing Units

Goal 2: Preservation of Affordable Housing for Low-Income Persons and Families

Description: As the affordable housing stock continues to age, more emphasis must be given to the rehabilitation and preservation of affordable housing for low-income persons and families. According to 2010 Census Data, 1,161,693 or 43% of all housing structures in Missouri were built before 1970. Much of this affordable housing stock is showing signs of aging and in need of substantial rehabilitation. Substandard housing is a concern for many households in the state: Census Data indicates there are 8,400 housing units in Missouri that meet the Census Bureau's definition of substandard housing. However, there are many additional units which have serious deficiencies in their electrical or plumbing systems; lack safe or adequate heating systems; or have other major structural deficiencies and are in need of substantial rehabilitation.

MHDC is placing an emphasis on the preservation of affordable housing for low-income persons and families. MHDC will use HOME and MHDC Rental Housing Production and Preservation Programs and federal and state low-income housing tax credits to provide financing equity for non-profit and private developers who propose to rehabilitate and preserve older affordable rental housing developments. Additionally, the Department of Economic Development and MHDC will provide financing and tax credits for the rehabilitation of many additional units of affordable rental housing using tax-exempt bond financing and 4% Low-Income Housing Tax Credits.

MHDC has established a HOME Repair Program for qualified non-profit agencies for the purpose of home repair, weatherization, accessibility improvements and lead abatement in owner-occupied homes. This program is available to non-profit agencies that undertake the eligible activities on behalf of low and moderate-income families in non-metropolitan statistical areas. Eligible homeowners must have incomes that do not exceed 80% of the area median income. Eligible homeowners may receive assistance in an amount not to exceed $22,500 per home.

Category: Affordable Housing

Start Year: 2013

End Year: 2013

Outcome: Affordability

Objective: Provide decent affordable housing

Geographic Areas Available: Statewide

Priority Needs Addressed: Affordability

Funding Allocated: $13.6M in HOME Funds * 50% = **$6,800,000**

Goal Outcome Indicator:

- Rental Units rehabilitated – 1,032 Household Housing Units
- Homelessness Prevention - 235 Persons Assisted
- Jobs created/retained - 184 Jobs
- Housing for Homeless Added - 90 Household Housing Unit

Goal 3: Affordable Housing for the Elderly

Description: The State of Missouri, county, and city government officials, non-profit, and faith-based organizations and private sector must all begin to prepare now for a potential crisis in housing and related seniors in the very near future. Missouri's senior population age 65 and older is projected to increase from about 13.9% of the state's population in 2010 to 15.2% in 2015 and it may reach more than 19% in 2025. This dramatic increase in the number of seniors will undoubtedly have a profound and far-reaching impact on the supply, demand, and availability and cost of housing and related services for seniors. According to the American Community Survey data, there are 23,185 senior households with severe cost burdens (paying more than 50% of their income for their housing costs) in 2009. These seniors must make difficult choices between paying their housing and utility costs and other basic necessities such as food, medicine, healthcare, and transportation. This is a stark reality that too many seniors must confront every day in Missouri; MHDC needs to take immediate action to provide more accessible and affordable housing for seniors as well as the necessary integrated and coordinated social services to help seniors successfully age in place.

MHDC, as the state's housing finance agency, has the ability to have a impact on the number of units of senior housing that is built in the state each year. It administers a great deal of the funding available for the new construction or rehabilitation of affordable rental housing in Missouri. MHDC administers programs such as the Federal and State Low-Income Housing Tax Credit (LIHTC) Program, MHDC Fund Balance and HOME Rental Housing Production Programs, Affordable Housing Assistance Tax Credit (AHAP) Program, Home Repair Opportunity (HeRO) Program, and the Missouri Housing

Trust Fund (MHTF) Program. About two-fifths of the approved affordable rental housing developments financed or assisted by MHDC with its primary rental housing production programs in recent years has been designated as housing for senior citizens aged 55 or older.

Additionally, MHDC has emphasized to developers and builders the need to utilize Universal Design standards as part of its ongoing rental production programs, single-family homes, and duplexes built as part of MHDC programs.

Category: Affordable Housing

Start Year: 2013

End Year: 2013

Outcome: Availability/Accessibility

Objective: Create Suitable Living Environments

Geographic Areas Available: statewide

Priority Needs Addressed: Affordable Housing for the Elderly

Funding Allocated: $13.6M in HOME Funds * 46% = **$6,256,000**

Goal Outcome Indicator:

- Rental Units Constructed - 688 Household Housing Units
- Rental Units rehabilitated - 412 Household Housing Units
- Jobs created/retained - 184 Jobs

Goal 4: Continuum of Care (CoC)

Description: The Continuum of Care was instituted in 1994 as a process for obtaining Supportive Housing, Shelter Plus Care, and Single Room Occupancy Mod Rehab dollars.

Category: Homeless

Start Year: 2013

End Year: 2013

Outcome: Accessibility/Availability

Objective: Provide Decent Affordable Housing

Geographic Area Available: Balance of State Homelessness

Priority Needs Addressed: Coordinate Homeless Services throughout the State of Missouri
Funding Allocated: **$6.84 million** in CoC Funds

Goal Outcome Inciator:

- Overnight/Emergency Shelter/Transitional Housing Beds Added – 50 Beds

Goal 5: Emergency Solutions Grant (ESG)

Description: The ESG Program is designed to identify sheltered and unsheltered homeless individuals and families, as well as those at risk of homelessness, and provide the services necessary to help those persons quickly regain stability in permanent housing after experiencing homelessness or a housing crisis.

Category: Homeless

Start Year: 2013

End Year: 2013

Outcome: Availability/Accessibility

Objective: Create Suitable Living Environments

Geographic Areas Included: Statewide housing

Priority Needs Addressed: Provide Services to Sheltered and Unsheltered Homeless Individuals and Families

Funding Allocated: **$2.6 million** in ESG Funds

Goal Outcome Indicator:

- Tenant-based rental assistance/Rapid rehousing – 500 Households Assisted
- Homelessness Prevention – 2,000 Persons Assisted

Goal 6: Special Needs Housing

Description: Special Needs Housing is defined in MHDC's Qualified Allocation Plan and is currently a 33% priority.

Category: Affordable Housing; homeless; Non-Homeless Special Needs

Start Year: 2013

End Year: 2013

Outcome: Availability/Accessibility

Objective: Create Suitable Living Environments

Geographic Areas Included: Statewide Housing

Priority Needs Addressed: Special Needs Housing

Funding Allocated: 33% of HOME Funds = **$4,488,000**

Goal Outcome Indicator:

- Rental Constructed Units – 90 Household Housing Units
- Rental Units Rehabilitated – 90 Household Housing Units

Goal 7: HOPWA

Description: One year goals for the number of households to be provided housing through the use of HOPWA.

Category: Affordable Housing; homeless; Non-Homeless Special Needs

Start Year: 2013

End Year: 2013

Outcome: Availability/Accessibility

Objective: Create Suitable Living Environments

Geographic Areas Included: Statewide Housing

Priority Needs Addressed: Special Needs Housing

Funding Allocated: **$501,756**

Goal Outcome Indicator:

- Short-term rent, mortgage, and utility assistance payments for 110 households
- Tenant-based rental assistance for 125 households
- Total: 235 households

Goal 8: Job Training/Creation

Description: Increase the number of people provided with new or improved availability/accessibility of economic opportunity through job creation, retention and business infrastructure assistance to for-profit companies.

Category: Non-housing community development

Start Year: 2013

End Year: 2013

Outcome: Availability/Accessibility

Objective: Create economic opportunity

Geographic Areas Included: Statewide, non-entitled

Priority Needs Addressed: Economic Development

Funding Allocated: **$10,000,000**

Goal Outcome Indicator:

- Number of Jobs Created or Retained: 500

Goal 9: Public Infrastructure & Improvement

Description: Increase the number of people with new or improved accessibility, availability, or quality of suitable living environments through construction/rehabilitation of public facilities to benefit areas with an LMI percentage of 51% or higher.

Category: Non-housing community development

Start Year: 2013

End Year: 2013

Outcome: Availability/Accessibility/Suitable Living Environment

Objective: Create a Suitable Living Environment

Geographic Areas Included: Statewide, non-entitled

Priority Needs Addressed: Public Improvements and Infrastructure

Funding Allocated: $7,050,000

Goal Outcome Indicator:

- Number of people served with Public Infrastructure & Improvement activities other than Low to Moderate Housing benefit: 15,000

Goal 10: Public Facilities

Description: Increase the number of people provided with new or improved sustainability of suitable living environments through slum and blight reduction, emergency assistance and other rehabilitation of existing public facilities in LMI areas.

Category: Non-housing community development

Start Year: 2013

End Year: 2017

Outcome: Availability/Accessibility/Suitable Living Environment

Objective: Create a Suitable Living Environment

Geographic Areas Included: Statewide, non-entitled

Priority Needs Addressed: Public Facilities

Funding Allocated: **$2,250,000**

Goal Outcome Indicator:

- Number of people served with Public Facilities activities other than Low to Moderate Housing benefit: 50,000
- Number of blighted structures demolished: 30

Method of Distribution

Introduction

As the state housing finance agency, MHDC is dedicated to strengthening communities and the lives of Missourians through the financing, development and preservation of affordable housing. MHDC administers the state and federal LIHTCs, HOME funds, the Missouri Housing Trust Fund and the Emergency Solutions Grant. As such, annual allocations are made in accordance with the Qualified Allocation Plan. The programs outlined below represent MHDC's

goals for the next year in terms of production, preservation, homeless prevention and housing assistance.

The Department of Economic Development's use of CDBG is based almost entirely on local need, which is demonstrated to the Department via an application process, which is described below. Local need, capacity, past performance and ability to leverage other funding all factor into the evaluation process for CDBG, on top of the basic CDBG thresholds of national objective and eligibility.

Distribution Methods – HOME

Currently MHDC uses its HOME Funds in two ways: multi-family rental production and rehabilitation and homeowner rehabilitation.

The multi-family HOME allocation is part of MHDC's larger rental production and rehabilitation application process, and its annual HOME allocation is used to finance rental production at a very low interest rate. Rental applications are reviewed according to primary and secondary thresholds, selection criteria as described in the Qualified Allocation Plan, and the geographic priority. Currently, MHDC attempts to utilize 33% of LIHTC's in the St. Louis region, 19% in the Kansas City region, and the remaining 48% in the "Out State Region." Finally, MHDC allocates a minimum of 15% of its HOME allocation to Community Housing Development Organizations (CHDO).

The homeowner rehabilitation program – HeRO – has its own application process. MHDC will award HeRO funds based on a statewide competition. All applications will be reviewed and compared based on the items described in the application, and each item will be reviewed and a score determined at MHDC's sole and absolute discretion will be assigned. Once scores are calculated, the applications shall be ranked in order of the highest score to the lowest score and funding will be based upon such ranking. HeRO funds are exclusively used in non-metropolitan areas or areas that have been declared as a disaster area.

Application Selection Criteria

For the rental production and rehabilitation program, applications will be evaluated using Section 42 requirements:

- Those serving lowest income tenants,
- Those serving qualified tenants for the longest period, and
- Projects located in Qualified Census Tracts, the development of which contributes to a concerted community revitalization plan.

Additionally, MHDC will give preference among selected projects to:

- Project location,
- Housing needs characteristics,
- Project characteristics, including whether the project involves the use of existing housing as part of a community revitalization plan,
- Projects intended for eventual tenant ownership,
- Tenant populations with special housing needs
- Sponsor characteristics,
- Tenant populations of individuals with children,
- Public housing waiting lists,
- Energy efficiency, and
- Historic character

The HeRO program will evaluate applications based primarily on the written policies and procedures documenting the organization's intended implementation which includes, among other things: requirements for household participation, household application process, intended rehabilitation activities, lead hazard reduction requirements, the marketing plan, rehabilitation standards, appraisal process, and contractor participation qualifications.

Resource Allocation among Funding Categories

MHDC currently intends to allocate 15 – 20% of the yearly state allocation to the homeowner rehabilitation program, 10% for administrative purposes, and the remaining amount to the rental production and rehabilitation program. The new HOME rule and FY2012 HOME Appropriation Requirements may affect Missouri's ability to continue the homeowner rehabilitation program, but MHDC will make every attempt to continue this vital program.

Threshold factors and grant size limits

Currently there is no grant/loan size limit for the rental production and rehabilitation program, but MHDC utilizes its HOME funds as gap-financing for larger developments. Ideally, MHDC would like its individual HOME fund allocations to be a small but important part of these developments. The exception is with the CHDO developments; because these projects are often much smaller than a private developer's, HOME is often the only funding source.

The homeowner rehabilitation program also does not have a grant limit for the sub-grantees, but MHDC works to stretch these funds as far as possible across the state, so

we grant based on the quality of applications/applicants and the number of applications submitted. Currently there is a $20,000 to $22,500 limit on improvements made to homes depending on the community.

Expected outcome measures as a result of the method of distribution

Based on current funding levels, MHDC expects to develop eighty-four rental units and rehabilitate eighty-six owner occupied homes.

Distribution Methods – ESG

ESG is distributed based on an annual allocation plan that is approved by Department of Social Services and MHDC.

Application Selection Criteria

Individual scores by program may be assessed for: completeness of the application, extent to which the applicant demonstrates an understanding of the new HEARTH Act regulations, past performance, strength of program design, implementation strategy, unmet need, data used to describe need, procurement of outside resources, organizational experience, financial reporting, extent to which program serves 100% homeless persons, collaboration with local plans, extent to which project meets priorities in Continuum of Care plan, match funds available, amount of funds requested, and measureable performance goals and objectives.

Process for awarding ESF funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations

MHDC will make the ESG funds available to local government first, if the local government is not interested in the funds, the funds will be made available to non-profit organizations and community and faith based organizations. MHDC will conduct an annual training and will be available for any application questions. Once the applications are received, MHDC will score each application based on the criteria listed above and will make recommendations to the MHDC Commissioners and Department of Social Services each year. The recommendations will also be based on the state Allocation Plan approved annually for ESG funds.

Resource Allocation among Funding Categories

Missouri state ESG resources will be allocated at the 60% maximum limit for shelter operations and street outreach and 40% for homelessness prevention and rapid re-

housing under HEARTH. Until the funding amounts are reviewed or revised by the ESG Advisory Committee and ultimately the Missouri Housing Development Commission and Department of Social Services, the substantial amendment submitted for the second allocation of 2011 funds will be followed allocating 50% of funds to homelessness prevention and 50% of funds to rapid re-housing.

Threshold Factors and Grant Size Limits

City/County sub-grantees are limited to apply for up to $150,000. Direct non-profit applicants may apply for up to $50,000. Entitlement areas who already receive funds from HUD are capped and this is reflected in the allocation plan that is approved by Department of Social Services and Missouri Housing Development Commission which uses the Continuum of Care boundaries.

Expected outcome measures as a result of the method of distribution

Due to the emphasis on performance, each ESG grantee will be held to the outcome and performance measurements established by the Continuum of Care they belong to as required by the HEARTH Act. The ESG Advisory Committee will work on establishing these measures for ESG by working with each Continuum of Care.

Distribution Methods – HOPWA

The Section for Disease Control and Environmental Epidemiology within the Missouri Department of Health and Senior Services (MDHSS) has provided Ryan White Part B funded services and access to care for Missourians with HIV disease since 1986. The grantee receives federal funds (CDC prevention funding, Ryan White Part B and HOPWA funding) and state general revenue funds to provide leadership and contractual efforts to maintain a system of case management, core medical services and support services throughout the state to persons living with HIV disease. Healthcare Strategic Initiatives (HSI) is the MDHSS fiscal intermediary agent providing direct payment for Ryan White Part B, HOPWA and ADAP services. This contractual agreement has been in place since 1994 and has a proven record of accuracy, efficiency, with timely and quality services. The HOPWA formula region is considered “Outstate” in Missouri, which are 114 counties total other than 7 counties in the Kansas City region and 6 counties in the St. Louis region. The major metropolitan areas, St. Louis and Kansas City, receive their own competitive HOPWA funding so collaboration with these programs is necessary to ensure no cross payments occur between grantees. The HOPWA program provides housing assistance to Missouri residents living with HIV/AIDS and their families in the non-metropolitan and extreme rural regions in Missouri who are enrolled in the Ryan

White Case Management program.

In Missouri, Ryan White HIV Medical Case Management is available to all HIV diagnosed individuals that are at or below 300% of the Federal Poverty Level. Ryan White Part B funded case managers perform all eligibility requirements for enrollment into the case management system of care. Part of the assessment process is to identify needs that are unmet for core services; payer sources, income, medications and supportive services that include housing assessments to identify clients with a housing need to prevent homelessness. Most clients who are enrolled in the Ryan White HIV Medical Case Management system enter at a level of no income, very low income or low income, and will be referred to programs to meet their identified unmet needs. If housing assistance is identified as an unmet need the required housing plan can be created while the client is present so it is a collaborative effort with actions steps for the client to achieve. The documentation process is entered through a client statewide electronic database that many other Ryan White service providers also use to collect client level data for core and support services. This enables the case manager to quickly and efficiently document all relevant information regarding the client for future reference to ensure the most accurate information is available in the system. For direct housing entities not using the statewide database clients are referred directly to the agency including but not limited; to Section 8, Shelter Plus Care, Emergency Shelter Grant, and other state and local resources.

The Case Management program also provides a Positive Start program to enroll HIV positive inmates to prepare them for release and access to care in Missouri. There are three Transitional Case Managers (TCM) strategically located in Missouri that can access the prison systems. The Positive Start Program is a time limited intensive case management service that assists state incarcerated PLWH/A to gain and maintain access to a range of medical, social, family, and support services to become self-sufficient upon their return to the community. The Positive Start Program consists of two phases. The two phases are Transitional Connections and Outside Connections. Transitional Connections begins six months prior to scheduled release and includes planning for access to HIV medical care, medication adherence counseling, consultation on healthy lifestyles, and prevention counseling. Outside Connections begins upon release and includes intensive medical case management for up to six-month post release. Resources will be identified to ensure access to medical care and support services to assist the ex-offenders. PLWH/A clients can be referred to medical or non-medical case managers after this six month post release period, if needed.

For any related housing needs other than HOPWA STRMU or TBRA, Ryan White funding is accessed as a leveraging source to ensure the availability of HOPWA funds for direct housing costs. The Ryan White assistance is identified in the same way through assessment and housing plans when the client meets with their HIV case manager and serves as a stop gap measure to ensure stabile housing for all clients. Having the same case manager serve the client for all of their HIV needs supports the continuum of care model Missouri has created.

The MDHSS collaborates with and provides technical assistance to community based organizations, medical and non-medical providers and other Ryan White funded programs. Of the clients currently enrolled, 89% are below 100% of the Federal Poverty Level. HOPWA provides tenant based rental assistance and short term rent, mortgage and utility assistance for a limited number of families who live in rural communities throughout the state of Missouri who have limited or no resources or are unable to qualify for other programs due to prior poor rental history or criminal background. The program also focuses on Short-term mortgage temporary assistance for homeowners experiencing immediate difficulty meeting their mortgage payment, which occurs when a working PLWH faces illness and resultant loss of employment income. The HOPWA program funding provides no supportive services, housing placement, Housing Development, Administration, or Management Services. The State of Missouri does not have any project sponsors.

Distribution Methods – CDBG

General Requirements

1) Eligible Applicants: The State will distribute an estimated $20,000,000 in FY2013 CDBG funds to "units of general local government" in non-entitlement areas (incorporated municipalities under 50,000 and counties under 200,000). Cities and counties in Missouri that are not eligible for these non-entitlement funds are: Blue Springs, Columbia, Florissant, Independence, Jefferson City, Joplin, Kansas City, O'Fallon, Springfield, St. Charles, St. Joseph, St. Peters, Lee's Summit, St. Louis (city), Jefferson County (and the cities within Jefferson County who have elected to participate in the Jefferson County entitlement program), and St. Louis County (and the cities within St. Louis County who have elected to participate in the St. Louis County entitlement program).

Eligible Activities: Section 105(a) of the Community Development Act and HUD regulations specified the activities that are eligible for CDBG assistance. A general listing of eligible activities is below, and a detailed description is provided in 105(a) of the Act and in 24 CFR

570.482. While all activities may be eligible, some program categories may prioritize the funding of some activities:

1. Property Acquisition
2. Property Disposition
3. Property Clearance
4. Architectural Barrier Removal
5. Senior Center
6. Community Facilities
7. Centers for the Handicapped
8. Historic Properties
9. Water Treatment
10. Sanitary Sewer Collection
11. Storm Sewers
12. Flood and Drainage Facilities
13. Streets (or Roads)
14. Street Accessories
15. Parking Facilities
16. Bridges
17. Sidewalks
18. Pedestrian Malls
19. Recycling or Conversion Facilities
20. Parks and Recreation Facilities
21. Fire Protection/Facility Equipment
22. Solid Waste Disposal Facilities
23. Other Utilities
24. Public Service/Supportive Services
25. Rehabilitation of Private Residential Properties
26. Rehabilitation of Public Residential Properties
27. Payments for Loss of Rental Income
28. Relocation
29. Code Enforcement
30. Energy Use Strategy
31. Non-Federal Share Payment
32. Interim Assistance
33. Planning
34. Commercial or Industrial Facilities
35. Administration
36. Engineering/Design
37. Housing Rehab Inspection
38. Engineering/Construction Inspection
40. Audit
41. Port Facility
42. Airports
43. Natural Gas Lines
44. Electrical Distribution Lines
45. Rail Spurs
46. Security Lighting
47. Other Professional Services
48. Security Fencing
49. Site Preparation
50. Purchase Land/Building
51. Facility Construction Renovation
52. Machinery/Equipment
53. Working Capital
54. Sewage Treatment
55. LDC Homeownership Assistance – up to $15,000 to purchase a new home
56. Legal
57. 911 Emergency Systems
60. Homeowners Assistance – up to $5,000 to purchase an existing DSS home
61. Lead-Based Paint Evaluation
62. Asbestos Removal
63. Job Training*
64. Home-Ownership Counseling
65. Substantial Reconstruction of private residential properties on same lot – up to $15,000
66. Water Distribution
67. Lead Reduction NOT incidental to rehab
68. Asbestos Inspection

*Job training activities must be approved by the Division of Workforce Development or the Workforce Investment Board.

Ineligible Activities are as follows:

a) Maintenance or operation costs. **
b) General government expenses.
c) Political activities.
d) Improvements to city halls and courthouses, except those required to meet the Americans with Disabilities Act.
e) Purchase of equipment, except for fire protection, public services, landfills, or recreation.
f) Income payments, except for loss of rental income due to displacement.
g) Application preparation costs or a bonus award for writing a successful application.
h) Religious purposes.

** Maintenance and Operation Costs: Any cost that recurs on a regular basis (generally, less than five years) is considered a maintenance or operation cost, therefore ineligible for CDBG assistance. It is the responsibility of the applicant to provide these revenues from user fees or taxes. Additionally, if such maintenance or operation revenues are not sufficient to adequately support a facility or service assisted by CDBG funds, the project will not be awarded. The determination whether such revenues are sufficient will be made by the applicant's professional engineer, the Department of Natural Resources (for related projects), and/or DED. The preliminary engineering report required for all public works projects should discuss the revenues available for operation and maintenance of the facility or service.

2) Application Submission: Only one application may be submitted in any individual category by a city or county on behalf of itself. A city may submit one other application for activities to be carried out on behalf of a sub-recipient public body or an incorporated non-profit agency. A county may submit two other applications for activities to be carried out on behalf of a sub-recipient public body or an incorporated non-profit agency. In all instances, the application must represent the applicant's community development or housing needs. An applicant (or sub-recipient) must have legal jurisdiction to operate in (or serve) the proposed project area (or beneficiaries). Proof must be submitted with the application. As the grantee, the city or county has final responsibility for the project implementation and compliance. There is no limit on the number of applications that may be submitted for

economic development and emergency projects. The State reserves the right to place a limit on grants under its interim financing program. All applications must be submitted on forms prescribed by DED and in accordance with the guidelines issued for each program. While an applicant may be selected as a grantee, the final grant amount and scope of activities may be modified by DED.

3) Application Request Limits: The following are the minimum and maximum amount of funds an applicant may request per application:

Program	Minimum	Maximum
Water and Wastewater Eng. facility plan/plans & specs grants	$10,000 $5,000	$500,000 or $5,000/$7,500household (see water/wastewater section for details) **80% of amount equal to ASCE table, not to exceed $50,000**
Community Facility	$10,000	$250,000 or $5,000/household
Demolition	$10,000	$125,000 for residential demolition only $250,000 including commercial demolition
Microenterprise/Redevelopment RLF	$10,000	$150,000 or $15,000/job
Emergency	N/A	$500,000 or $5,000/household

NOTES RELEVANT TO PROGRAM CATEGORIES

- For economic development, the maximum CDBG funds allowed per project, combining the Industrial Infrastructure grant and Action Fund loan, may not exceed $2 million. The maximum CDBG funds (not including float loans) outstanding for any company (or related companies, including parent, subsidiaries, or ownership of 51% or more in a company), regardless of location in Missouri, may not exceed $3 million. The amount outstanding is based on the principal amount remaining for loans, or, for infrastructure grants, the original grant amount with a 10-year declining basis.

- Housing demolition only applications are limited to $125,000; if commercial demolition is included the maximum application is raised to $250,000. Commercial demolition only is also set at a maximum of $250,000. For commercial properties in the demolition application, the owner of the commercial property is responsible for 20% of the demolition costs for that property. All properties must be vacant and infeasible to rehabilitate.
- Engineering facility plan/plans and specs applications must meet LMI national objective and project must be listed on Missouri Department of Natural Resources Intended Use Plan or have a USDA Rural Development letter of conditions. An invitation to apply must be obtained from DED prior to submission of application.

Low and Moderate Income Requirements:

a) Low and moderate income (LMI) is defined for the CDBG program as 80% of the median income of the county. The most recent available HUD Section 8 income limits specified by county are applicable to the CDBG program.

b) At least 51% of the beneficiaries of a public facility/public project activity must be low and moderate-income (LMI) persons and families, and 100% of the beneficiaries of housing activities must be LMI. At least 51% of the hookups of a project funded under the water and wastewater category must also be residential. At least 51% of the beneficiaries of economic development projects must be low and moderate-income persons.

c) Emergency projects must meet the test of Section 104(b)(3) of the Act which states *"...activities which the grantee certifies are designed to meet community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs..."*

d) Funding for certain projects may utilize the **limited clientele** criteria outlined in the regulation for meeting the required national objective criteria. Those persons defined as limited clientele are automatically considered to be primarily (51%) LMI. Further guidance can be found at 24 CFR 570.208 of September 6, 1988, and published state guidelines.

e) The estimated amount of CDBG funds which will benefit LMI persons is $15,510,000 or 92.5% of the non-administrative allocation for FY2012. HUD requires that a minimum of 70% of the state's annual allocation be awarded on projects benefiting primarily LMI persons; however, Missouri has certified that it will meet the 70% LMI benefit requirement in aggregate over the three year period 2012 - 2014. The 2012 percentage

is derived by the following calculations:

Total Grant	**$20,000,000**
State Administration	- $500,000
State Technical Assistance	- $200,000
Estimated local administration	- $600,000
Total non-administrative funds	**$18,700,000**
Non-LMI Benefit	
Emergency - Urgent Threat	$500,000
Demolition - Slum/Blight	$750,000
Total non-LMI benefit	**$1,250,000**
LMI Benefit	
Total non-administrative funds	$18,700,000
Total non-LMI benefit	- $1,250,000
Total LMI benefit	**$17,450,000**
Total non-administrative funds	÷ $18,700,000
Percent total estimated LMI benefit	**93.3%**

4) Performance Requirements for Past Grantees:

a) Any grantee with a delinquent audit for any year, whether or not the grant is closed, is ineligible to apply for funding. This applies to all CDBG categories. The exception to this is for those counties that have delinquent audits, but are audited by the State Auditor's office. Also, a grantee with any **open** project awarded prior to March 15, 2011, which is not **closed** by March 15, 2013, is ineligible to apply in **any** FY2013 funding category. All documentation necessary for close-out must be received by March 1, 2013. This may apply to the grantee or the on behalf of applicant(s), whichever is applicable.

b) CDBG grant agreements will have a specified end date; this end date will be three years from the award date of the grant. If the grant is not completed by the end of the three year period, the grantee must:

i. deobligate any remaining funds, or

ii. request a one year extension from DED. This extension must be for cause, and documentation as to why the project was not completed within the required three year period must accompany the request. **Extensions are not automatic**. DED will grant no more than two one-year extensions to a project.

5) In addition, a grant applicant with a current project which has an outstanding monitoring finding made prior to February 1, 2013 and notified of by February 15, 2013 and which is unresolved at the time of application deadline, will have a five-point deduction made in the scoring of the application. Additional points may be deducted for missing application forms or other required application steps. Certain applications deficiencies may result in ineligibility. A list of all potential deficiencies, resulting in point deductions or ineligibility, will be provided as part of the application.

6) Contingent Funding: If an applicant proposes other state, federal, local, or private funds, or any other contingency item, **which are unconfirmed at the time of application**, they will be ineligible for FY2013 funds, except for otherwise specifically categories. The only other exceptions are bond elections, tax credit donations, and where referenced in the categories in the application. Applicants should notify DED of election results within a week of the election. If election fails, the application will be withdrawn from the consideration.

7) Affordable Rents: The state must provide criteria for *affordable rents* according to CFR 570.208(a)(3) as published September 6, 1988. The state will use HUD's Section 8 assisted Housing Program Fair Market Rents for this purpose.

8) First-time Homebuyer: The term first-time homebuyer means an individual or an individual and her or his spouse who have not owned a home during the prior 3-year period. A first-time homebuyer may purchase a home with CDBG downpayment assistance, except that:

   a) Any individual who is a displaced homemaker may not be excluded from consideration as a first-time homebuyer under this guideline on the basis that the individual, while a homemaker, owned a home with her or his spouse or resided in a home owned by the spouse;

   b) Any individual who is a single parent may not be excluded from consideration as a first-time homebuyer under this guideline on the basis that the individual, while married, owned a home with her or his spouse or resided in a home owned by the spouse; and

   c) An individual shall not be excluded from consideration as a first-time homebuyer under this guideline on the basis that the individual owns or owned, as a principal residence during such 3-year period, a dwelling unit whose structure is –

      i. not on a permanent foundation in accordance with local or other applicable regulations, or

ii. not in compliance with state, local, or model building codes, or other applicable codes, and cannot be brought into compliance with such codes for less than the cost of constructing a permanent structure, or

iii. a mobile home, not attached to a permanent foundation, and which is not considered real estate by the state.

The household may not own another residence even if that residence is rented.

In addition, recovering victims of catastrophic loss (e.g., the death of the family's principal wage earner, a failed self-employment business situation, loss of employment due to factory shutdown or an employer's reduction in force), victims of domestic violence that are legally separated from their spouses, and households who have purchased a home on a contractual basis but would otherwise qualify are also eligible as first-time homebuyers.

9) Displacement Policy: The state will discourage applicants from proposing displacement, unless a feasible alternative exists. Alternatives will be reviewed for feasibility, and technical assistance will be provided to applicants in order to minimize displacement. If displacement must occur, assistance under one of the following will be provided, depending upon the circumstances: the Uniform Relocation Assistance and Real Property Acquisition Act of 1970, as amended; Section 104(d), Section 104(k), or 105(a)(11) of the Housing and Community Development Act, as amended.

10) Program Income: Program income is the gross income received by a grantee or its sub-recipient from any grant-supported activity.

a) Program income includes, but is not limited to:

i. Income from fees for services performed;

ii. Proceeds from the sale of commodities or items fabricated under a grant agreement;

iii. Income from the sale or rental of real or personal properties acquired with grant funds;

iv. Payments of principal and interest on loans made with grant funds, including payback on deferred loans.

b) If interest is earned on grant funds for any calendar year, the interest must be returned to the U.S. Treasury through DED.

c) Uses of program income:

i. Program income shall be used prior to draw down of additional active grant funds unless a reuse plan has been approved prohibiting same;

ii. Used in accordance with requirements of Title I of the Housing and Community Development Act;

iii. If generated by activities other than economic development loans, the expenditure shall be used for block grant eligible activities as approved by the state; and

iv. Program income generated by economic development loans shall be returned to the state.

d) Local governments shall report the receipt and expenditure of program income to the Department of Economic Development as of June 30 and as of December 31 of each year, within fifteen days after each date.

11) Professional Services: An applicant has the option to select their engineer, architect, or administrator for their CDBG project prior to the preparation of an application or after a grant is awarded. They must, however, comply with state established procedures in their procurement practices if CDBG funds are to be used to finance such services. If the services are engineering or architectural, an applicant must comply with RSMo 8.285-8.292, unless a similar policy has been enacted by the applicant. If CDBG funds will be used for such professional services, there will be a maximum cost based on prescribed standards as follows:

a) Engineering Design – standards set by ASCE Manual #45, pages 37 to 42. Engineering costs calculated per Table A or B (from this manual) should depend on the complexity of the project.

b) Architectural Design – 10% of construction costs.

c) Construction Inspection – 75% of the cost of engineering design (a) or architectural design (b).

d) Administration - 3% of the non-administrative CDBG project costs plus $10,000 (water/wastewater, community facility, demolition); 3% of the non-administrative CDBG project costs plus $10,000 (economic development industrial infrastructure); 3% of the non-administrative CDBG project costs plus $4,000 (emergency); 3% plus $5,000 (microenterprise). There are no administration funds offered from CDBG for engineering plans and specification or planning projects. These amounts represent the maximum amounts available for CDBG projects. The state reserves the right to apply less money to a project of low complexity. It is not DED policy to include administration funding on loan projects (Action Fund, Speculative Building, Interim Financing). Administrative costs related to loan projects are generally a local responsibility.

e) Audit – as required.

f) Other Professional Services – negotiated.

g) Demolition inspection – $425/unit

Note: One firm or any principal or employee thereof cannot perform both engineering and administrative services on the same grant, regardless of source of payment. Professional services amounts will be based upon and approved for CDBG activities only.

The final rule of the new federal procurement regulations appeared in the April 19, 1995, Federal Register. This Public Law 103-355 replaces OMB-102, 24 CFR Part 85.36, and the common rule regarding procurement. If a state does not wish to adopt PL 103-355, which raises the maximum for small purchases bidding for goods or services from $25,000 to $100,000, it must formally adopt statewide standards or use specific rules under the CDBG program. For FY2011, the requirements of PL 103-355 apply to the CDBG program, **except** the threshold requirements for small purchases shall remain at $25,000.

12) Timely expenditure of funds. HUD measures the:

- Obligation rate of funds (95% @ 12 months and 100% @ 15 months) and,
- Expenditure rate of funds (a percentage of the amount of funds available in the line of credit as compared to the total annual award amount; not to exceed 2.0-2.5)

The State achieves the required obligation ratios. However, the State does not always achieve the targeted expenditure rate of 2.0-2.5 measured at each month-end. It is imperative that recipient communities draw and spend the funds in a responsible time period. This requires close attention to project management.

13) Department of Economic Development direction, outcomes, and desired uses of funds:

- Priority for CDBG will be those projects making an economic impact to the community: increased jobs, increased private investment, and/or increased local revenue streams;
- Flexible, eligible uses of CDBG funds to meet the demands of the difficult and changing economic climate are important. The public is encouraged to suggest program opportunities consistent with the priorities listed above, and the Department may enlist them as amendments to this plan.

CDBG FUNDS DISTRIBUTION

14) Distribution Among Categories: The estimated amount of CDBG funds the state will receive from the Department of Housing and Urban Development for FY2013 is $20,000,000.

Category	Allocation	Percentage
Water and Wastewater	$7,050,000	35%
Community Facility	$1,000,000	5%
Demolition	$750,000	4%
Emergency	$500,000	2%
Economic Development	$10,000,000	50%
State Administration	$500,000	2%
State Technical Assistance	$200,000	1%
TOTAL	$20,000,000	100%

a) Categorical Adjustment - The Department of Economic Development retains the ability to transfer up to 10% of the total CDBG allocation for use as needed among categories. An adjustment of more than 10% of the total allocation, or the creation/elimination of a category will require a substantial amendment of this plan. The amount for state administration may not exceed $100,000 plus 2% of the total allocation. The Department reserves the right to allocate up to 1% of the total annual amount for technical assistance activities in accordance with the Department Housing and Urban Development regulations. In FY13, the State may use up to $4 million recaptured or otherwise reallocated from a previous fiscal year CDBG state allocation for water or wastewater projects in partnership with the Department of Natural Resources. This $4 million is in excess of the FY13 water/wastewater setaside.

b) Other Funds Distribution - Funds recaptured or otherwise reallocated from a previous fiscal year CDBG, state and HUD allocation may be allocated to any program category as determined by the Department. Program income recaptured by the state will be first distributed to the economic development category (as needed) and then to other categories as needed, and the program income received from interim financing projects shall be used to honor previous funding commitments. The state may use up to 2% of all program income for state administration.

c) The maximum amount of FY2013 funds that will be awarded for Interim Financing projects will be $10,000,000 for 12, 18, and 24-month loans. The Department may

extend the individual term of any interim financing loan beyond the agreed upon period subsequent to the Department's written determination and justification of the need for and feasibility of such an extension. The total amounts of CDBG funds committed to interim financing projects will not exceed $12,000,000, in aggregate (including past years' allocations), regardless of any extensions of the loan term.

d) In the event the amount received from HUD is different from the amount identified in this document, the difference will be reflected as closely as feasible to the percentages above.

15) **Selection Criteria by Category:** The criteria used to select the projects in the various CDBG programs are presented below. Detailed guidance is provided in application materials developed for each program.

Water and Wastewater – Construction funds

Cycle – Open cycle based on availability of funding. Maximum award $500,000 or $5,000 per family benefitting, whichever is less. At Department discretion, for communities with fewer than 100 families benefitting, the maximum grant is $500,000 or $7,500 per family benefitting, whichever is less.

National Objective - Minimum 51% LMI benefit for community-wide or target area projects. LMI benefit may be documented by HUD census data or survey conducted in accordance with prescribed standards.

Eligible Activities - Water and wastewater activities only, including treatment, distribution, and collection. Normal operation and maintenance activities are not eligible. Projects must benefit 51% or more residential units.

Application Procedure - Applicants anticipating the use of state and/or federal funds to finance water or wastewater system improvements must complete a preliminary project proposal, consisting of a two-page summary and preliminary engineering report. Each project proposal will be reviewed by the Missouri Water and Wastewater Review Committee (MWWRC). The MWWRC is comprised of the Missouri Department of Economic Development (Community Development Block Grant Program), Missouri Department of Natural Resources (State Revolving Fund), and the U.S. Department of Agriculture (Rural Development). The MWWRC review process will occur as follows:

a) An original and five copies **(six total)** of the project proposal are submitted to one of the MWWRC agencies.

b) Upon receipt, the receiving agency distributes the project proposal to the remainder of the MWWRC members.

c) The committee meets monthly. Proposals received by the first of the month will be reviewed during that month's meeting.

d) Following its review, the MWWRC will reply to the applicant by written correspondence. This correspondence shall include a summary of the MWWRC comments pertinent to the technical, operational, or financial aspect of the project proposal. Substantive comments by the MWWRC must be resolved prior to receiving a recommendation from the MWWRC. A recommendation from the MWWRC will state the appropriate agency or multiple agencies from which to seek financial assistance. However, a recommendation from the MWWRC does not assure funding from each appropriate agency. Each agency on the MWWRC will receive a copy of all correspondence stated above.

e) Each funding agency will follow its own full application process. Applicants seeking funding from multiple agencies must submit a full application to each particular agency.

f) If a full application varies significantly from the recommended project proposal, or if the facts have changed such that the feasibility of the proposed warrants further investigation, any member of the MWWRC may request that the project be reviewed again.

g) Assistance will be recommended only to the extent necessary to complete project activities over and above local efforts, and for solutions considered appropriate and feasible by the MWWRC.

If a project proposal receives a recommendation from the MWWRC, a full CDBG application is required for submission. The following selection criteria will be used in reviewing the full application.

Selection Criteria – Applications scoring a minimum of 65 points will receive a recommendation for award.

The primary project review for water or wastewater is the MWWRC process, and consists of interagency financial and technical review by finance staff and engineers. Successful completion of the MWWRC process results in an award of 50 points to an application. CDBG staff will continue to evaluate the applications for completeness and missing documents.

16) *MWWRC Review (50 points)* – Applicants successfully completing the MWWRC process will receive 50 points, based on need for grant funding, project/engineering strategy and rate structure.

17) *Local Effort (25 points)*

0-15 pts – Leveraging: Leveraging is defined as the percentage of local funds dedicated to the project in relation to what the applicant's budget/financial statement shows available.

0-05 pts – Taxes: Tax score is defined as the revenues or taxes the applicant receives divided by population and per capita income, and multiplied by 100.

0-05 pts – In-Kind Contribution: Points are awarded to applicants committing in-kind or non-cash related services to the project.

18) *Past (CDBG) performance (5 points)*

CDBG priorities for water and wastewater are defined as:

- Lack of existing needed facility (Tier 1 Priority): Needed facility represents elimination of a threat and safety and at the same time is offered to a community that has the TMF capacity to own it.
- System Failure (Tier 1 Priority): Not related to poor operation and maintenance; failure proven to the degree of documentation – DNR support.
- Obsolescence of an existing facility – not defined as "design life" (Tier 2 Priority): Asbestos pipe, lead, radionuclides
- Regulatory requirements which mandate improvements (Tier 2 Priority): Differentiate between abatement orders versus abatement due to poor operation and maintenance.
- Natural or manmade disaster (Tier 2 Priority): Defining manmade to include pollution or contamination, not poor operation and maintenance.
- Improper design of existing facility (Tier 3 Priority): Definition must include what it is causing.
- Significant and unexpected growth (Tier 3 Priority): Economic development driven, regionalization, and government driven.
- Comprehensive, strategic, or capital improvement plan (Tier 3 Priority)
- Inherent social/economic factors (Tier 3 Priority): Unemployment, age, LMI.
- Potential or anticipated growth (Tier 4 Priority)
- Improper maintenance (Tier 4 Priority)

Pre-agreement costs – DED encourages the earliest possible completion of the CDBG environmental review for water/wastewater projects. To facilitate this early completion, DED will reimburse reasonable costs of conducting and completing the CDBG environmental review that are incurred prior to application approval. To be eligible, the CDBG environmental review services must be procured and contracted in accordance with CDBG requirements. As this will be done prior to the approval of the application, cost reimbursement will not occur until after the project is awarded. If, for any reason, the project is not awarded CDBG funds, the applicant will be responsible for those costs.

MWWRC proposals that include CDBG will be encouraged to commence the CDBG environmental review at the time of the initial response letter from the MWWRC and will not receive an invitation to apply until the Environmental Review is substantially complete.

Water and Wastewater – Engineering facility plan/plans and specs grants

Cycle - Open cycle based upon availability of funds. Maximum $50,000 or 80% of the ASCE table. **If an applicant is awarded a plans/specs CDBG grant and also a later grant for project construction, the maximum aggregate CDBG total is $500,000. The amount of the plans/specs grant will be deducted from the maximum allowable on the project construction grant.**

National Objective - Minimum 51% LMI for community wide or target area projects. LMI benefit may be documented by HUD census data or survey conducted in accordance with prescribed standards.

Eligible activities – Allows for procurement of a professional engineer to complete the facility plan and plans and specifications necessary for progress in the State Revolving Loan Fund Intended Use Plan process to access loan funds, or must have a Letter of Conditions (LOC) from USDA-Rural Development. Applicants must be on the IUP or have the LOC from USDA and must demonstrate an inability to finance the engineering. Eligible costs include engineering costs only, no administration.

Selection Criteria –

19) *MWWRC Review (50 points)* – Applicants successfully completing the MWWRC process will receive 50 points, based on need for grant funding, project/engineering strategy and rate structure

20) *Local Effort (30 points)*

0-15 pts – Leveraging: Leveraging is defined as the percentage of local funds dedicated to the project in relation to what the applicant's budget/financial statement shows available.

0-05 pts – Taxes: Tax score is defined as the revenues or taxes the applicant receives divided by population and per capita income, and multiplied by 100.

0-10 pts – TMF and in-kind

Priorities for all Water/Wastewater Projects: Projects that have achieved a responsible level of local participation by pursuing their debt capacity; projects that have initiated a responsible rate structure that provide adequately for operation and maintenance, employee overhead, debt service, reserve, and emergency funding; projects that represent a solid history of operation and maintenance; projects that can indicate the use of CDBG funds will provide rate affordability; projects that meet threats to health and safety.

Community Facility

Cycle – Application deadline – June 15, 2013. Competitive process. Maximum $250,000 or $5,000 per family benefitting.

National Objective - Minimum 51% LMI benefit for community-wide or target area projects. LMI benefit may be documented by HUD census data, survey conducted in accordance with prescribed standards, or Limited Clientele if criteria met.

Eligible Activities – Senior center, day care center, community center, youth center, telecommunications, emergency 911, health center and all eligible activities designed to provide a service or group of services from one central location for a prescribed area of residents or users. This may include the infrastructure necessary to support the facility as well.

Selection Criteria –

21) *Need (35 points)*

0-07 pts – Health and Safety

0-07 pts – Education

0-07 pts – Lack of Existing Facility

0-06 pts – Number of Potential Users

0-04 pts – Economic Impact

0-04 pts – Measurable Outcomes or Goals

22) *Impact (35 points)*

0-10 pts – Strategy

0-10 pts – Cost Effectiveness

0-10 pts – Operation and Maintenance

0-05 pts – Project Readiness

23) *Local Effort (25 points)*

0-15 pts – Leveraging: Leveraging is defined as the percentage of local funds dedicated to the project in relation to what the applicant's budget/financial statement shows available.

0-05 pts – Taxes: Tax score is defined as the revenues or taxes the applicant receives divided by population and per capita income, and multiplied by 100.

0-05 pts – In-Kind Contribution: Points are awarded to applicants committing in-kind or non-cash related services to the project.

24) *Past Efforts (5 points)*

0-05 pts – Past efforts are defined as all previous actions taken by the applicant to address the need.

Demolition (Residential/Commercial)

Cycle – Application deadline – May 15, 2013. Competitive process. Maximum $125,000 for residential demolition; $250,000 if commercial demolition is included. The maximum for commercial demolition (without residential) is also $250,000.

National Objective – slum/blight removal (spot basis).

A structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to health, safety, and public welfare.

Communities participating in this activity must, at a minimum, determine blighted structures by declaring the use of an existing dangerous building ordinance, building code level of violation or applicable occupancy or habitability designation and applying such ordinance, code violation, or designation in a manner consistent with the definition. The ordinance, code violation or designation must be applied to the specific structure, not to the area as a whole. The predominance of blight in an area does not allow blight to be assumed for each structure inside the area.

Eligible activities – Demolition, demolition inspection, asbestos inspection, asbestos removal, administration.

Threshold Criteria - The Section 106 review (with SHPO) must be completed prior to application submission.

Selection criteria:

1) **Need and Impact (45 points)**

   0-20 pts – Number of units proposed compared to total dilapidated units, both occupied and vacant (2D/D+DX)

   0-20 pts – Number of units proposed compared to the total number of vacant dilapidated units (2D/DX)

   0-05 pts – Number of units proposed for demolition as a percent of total vacant units (2D/total X)

2) **Community Assets/Efforts (10 points)**

   0-04 pts – Past clean up activities by community

   0-02 pts – Community organizational participation in this project

   0-04 pts – Applicant's future actions to control property maintenance and unsafe structures long term plan

3) **Leveraging (15 points)**

   0-15pts – Document $1,000 cash or in-kind match for each unit proposed for demolition

   Commercial property owners must commit 20% of the demolition costs of their structure in writing as a cash commitment

4) **Strategy (30 points)**

   0-10 pts – Interest of applicant and property owners; code enforcement

   0-05 pts – Demolition need vs. other strategies; overall strategy

   0-10 pts – Project readiness; ready to start/capacity to complete

   0-05 pts – Size/cost/hazardous waste (especially asbestos) identified; cost effectiveness

Emergency

Cycle – Open cycle based on availability of funding.

Minimum criteria (other than items previously mentioned in this document) - The need must be a serious threat to health or safety, be immediate, have developed or greatly intensified within the past 18 months, and be unique in relation to the problem not existing in all other communities within the state. Natural disasters are allowable under this program. Also, the applicant must lack the resources to finance the project. Only the **emergency** portion of a project will receive assistance. The applicant must exhaust its resources before CDBG funds may be used.

Economic Development

Cycle – Open cycle based on availability of funding. Approval is based on compliance with eligibility criteria and availability of funds. The minimum eligibility criteria stated below will vary on different types of businesses based on the projected economic impact, such as proposed wages, spin-off benefits, and projected industry growth. The specific eligibility criteria for each type of business will be stated in the program guidelines. When multiple CDBG funding tools are used for a project, CDBG funding from all programs is limited to $25,000 per job.

Economic Development Infrastructure - Grants for the improvement of public infrastructure, which cause the creation or retention of full-time permanent employment by a private company(s) benefiting from the infrastructure. Funding is limited to $20,000 per job to be created, and a maximum grant of $2 million. In addition, an assisted company must pledge and document private investment of no less than 25% of the CDBG funds awarded for the project.

The Department has targeted a 20% match by the community based upon the availability of unencumbered city or county funds. This match may be achieved by, but not limited to, tax abatement, discounted utility fees, cash, or in-kind or any combination thereof. If the community is a distressed area, as defined by the Department, the match requirement may be decreased or waived.

The Department has established manufacturing industries as the priority beneficiary of economic development infrastructure funding. However, certain service industries and incubators are eligible to participate in economic development infrastructure projects. Retail firms are not eligible to participate.

The use of CDBG economic development infrastructure funding is generally limited to publicly owned infrastructure. However, privately owned infrastructure may be addressed with CDBG funding when 1) regulated as a public utility; 2) is a unique circumstance when private funding is unavailable to address the infrastructure; and 3) the project will result in high impact to the local economy in terms of job creation and private investment.

Missouri Rural Economic Opportunities Infrastructure Grant - Grants for public infrastructure (including facilities if the facility is either publicly or nonprofit owned) for projects intending to facilitate significant transformation of the local economy and the creation or retention of full time permanent employment by a private company benefitting from the infrastructure. The development must be unique to the region and must:

- Include activities that add value to the existing economic circumstances and create jobs and investment, and
- Use existing assets of the local economy and transition those assets in such a manner that creates jobs and investment and
- Add a technological component to an asset of the local economy and
- Include either a federal partnership/participation or university partnership/participation.

CDBG funds are limited to $50,000 per job created, and up to a maximum of $1 million CDBG participation per project. CDBG funds may not be the majority share of funds in the total project costs.

The Department has targeted a 20% match by the community based upon the availability of unencumbered (city or county) funds. This match may be achieved by, but not limited to, tax abatement, discounted utility fees, cash, in-kind or any combination thereof.

The Department has established manufacturing, research, and technology industries as the priority beneficiary of these funds. However, certain service industries and incubators are eligible to participate in a Rural Opportunities Infrastructure project. Retail firms are not eligible to participate.

The use of CDBG funds is generally limited to publicly owned infrastructure. However, privately owned infrastructure may be addressed with CDBG funding when 1) regulated as a public utility, 2) is a unique circumstance when private funding is unavailable to address the infrastructure, and 3) the project will result in high impact to the local economy in terms of job creation and private investment.

LMI Job creation/documentation (for Rural Economic Opportunities Grant only):

The method for achieving the required CDBG National Objective benefit for low and moderate income may be accomplished by either: (1) Counting and recording jobs "held by" individuals with household incomes at or below 80 percent of median household income, or (2) Counting and recording jobs "made available to" individuals with household incomes at or below 80

percent of median household income.*

*The acceptable means to accomplish documentation and process for "making jobs available to" LMI persons requires the applicant to establish a relationship with the local career center to list, qualify, and refer LMI persons to the company(s) for application. That relationship shall take place in the form of a letter and concurrence between the parties that establishes the intent of job referral, the process of referral, and the records of those referrals. Evidence of the letter and concurrence and referral records of potential employees must be kept with the project files.

Action Fund - Loans, equity investments, or other type investments may be made to a **private company** for buildings, equipment, working capital, land, and other facilities or improvements in order to cause a project to occur which will result in the creation or retention of full-time permanent employment. Selection shall be determined by the need for assistance through a financial analysis of the company, and the documentation of the public benefit to be derived from the project. **CDBG funds are limited to the lesser of $400,000 per project, 50% of the project costs, and a maximum CDBG cost per job created or retained of $35,000. For start-up companies, CDBG funds are limited to the lesser of $100,000 per project, 30% of the project costs, and a maximum CDBG cost per job created or retained of $25,000.** The interest rate of the loan will to be determined by DED. The term of the loan will be determined by cash flow projections that will allow for the fastest repayment of principal and interest, but not more than 20 years or the depreciable life of the collateral assets. Working capital loans will have a term not to exceed 10 years. Nonprofit, public or quasi-public entities are not eligible to participate in the Action Fund program.

The Department has established manufacturing industries as the priority beneficiary of the Action Fund program. However, certain service industries are eligible to participate in the Action Fund program. Retail firms are not eligible to participate.

Interim Financing (Float) - Loans by grantee to a company for buildings, equipment, working capital, land, and other facilities or improvement where appropriate, in order to cause the creation or retention of a full-time employment. Basis of selection shall be the economic impact of the project and the amount of funds necessary to cause the project to occur. **Loans are limited to 30% of the project costs, $25,000 per job created or retained, or $1 million per project, whichever is less. For start-up companies, loans are limited to 30% of the project costs, $25,000 per job created or retained, or $100,000 per project, whichever is less.** Loans must be secured by a Letter of Credit from a financial institution acceptable to DED or other acceptable collateral. The grantee shall be made aware of the policy of state recapture of program income.

The Department will continue to offer a program that uses CDBG funds that may be already obligated to projects, but not distributed. Such a program puts such funds at an element of risk. The applicant for interim financing programs shall be made aware of the policy for local retention of program income. Activities which may be performed in this program may include, but are not limited to, interim construction financing and other incentives for the creation of jobs, primarily for low and moderate income persons. No more than $10,000,000 per funding year will be obligated, in aggregate, for all float funded projects.

Speculative Industrial Building - Loans by grantee to non-profit development organization for the purpose of development of a shell building. Funds can be used for the purchase of land, the development of on-site infrastructure, the purchase of an existing building and improvements, or the construction of a new building. The maximum funding available is $1 million per project. The term of the loan is a maximum of 60 months, payable in lump sum at the end of the term or when the building is sold or has a long term lease (more than 6 months). The interest rate is 1%. Selection is on a first come basis and will be offered to those applicants who meet the following basis eligibility requirements: 1) the loan must be secured by an irrevocable bank letter of credit for 100% of the loan; 2) permanent financing must be secured and guaranteed after the term of the loan in order to ensure payment should the building not be sold or leased by then; 3) the owner of the building must provide evidence of the ability and resources to adequately market the building; and, 4) the applicant must demonstrate a lack of suitable industrial buildings in the area.

Revolving loan fund/Microenterprise*:* Loans by a grantee (or multiple grantees) to a business with less than five existing employees (including owners) for up to $25,000 per business, or 70% of the project cost, whichever is lower. Funds may be used for machinery and equipment, working capital, land, and buildings. Loans to more than one company may be included in one grant to a city or county. At least one full-time equivalent job must be created or retained for each $15,000 in loan proceeds with 51% or more to be low and moderate-income persons. RLF for redevelopment purposes may be considered as well, if the proposed RLF is part of a defined redevelopment effort.

Job Training: A grantee may request funds to subcontract with a qualified non-profit or public entity to provide job training to persons who will be or are presently employed by a company (for profit or nonprofit). The funds would be used only for instructors, materials, or related training aids and expenses thereof. The maximum grant per company would be $100,000, or $2,000 per new job created, whichever is less. At least 51% of the new jobs created/retained must be low and moderate-income persons.

Geographic Distribution

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

This report is being written to reflect needs and assets throughout the state; subsequently, the goals articulated in this section are written from the same statewide perspective. MHDC does not allocate HOME funds based on a geographic distribution, but the QAP lays out geographic objectives for allocation of the LIHTC funds. As the state housing finance agency, it is the goal of MHDC to "provide high quality affordable housing with lone-term viability that contributes to the community". The one notable exception to the geographic allocation is the Home Repair Program (HeRO); a portion of the state HOME funds administered by MHDC used exclusively for homeowners in rural Missouri.

The departments of Economic Development and Health & Senior Services do not direct CDBG and HOPWA funding, respectively, on a geographic basis. Funding is based primarily on need.

Rationale for the priorities for allocating investments geographically

From the perspective of MHDC, which is the state housing finance agency, it is difficult to specify target areas across the whole state as we are charged with meeting the needs of all communities in Missouri. The rental production and rehabilitation program takes other priorities into consideration within the state such as: special needs housing, service-enriched housing, preservation and Qualified Census Tracts (QCT). Because MHDC serves the whole state of Missouri, funding is allocated based on the needs of each community.

For the homeowner rehabilitation program, MHDC allocates its funds to the non-entitlement areas of the state because these communities do not have the federal funds that our metropolitan areas have.

Discussion

Missouri's Consolidated Plan is written to reflect the housing, homelessness, economic development, and HIV/AIDS needs of the whole state. Because of this, the geographic areas are broad and all-encompassing because the state agencies are charged with meeting those

needs of the non-entitlement areas. Some of the programs, such as HOME and ESG are also able to invest in metropolitan areas of the state.

Affordable Housing

Introduction

As the state housing finance agency, MHDC is dedicated to strengthening communities and the lives of Missourians through the financing, development and preservation of affordable housing. MHDC administers the state and federal LIHTCs, HOME funds, the Missouri Housing Trust Fund and the Emergency Solutions Grant. As such, annual allocations are made in accordance with the Qualified Allocation Plan.

One year goals for the number of households to be supported

Homeless: 150 households per year

Non-Homeless: 170 households per year

Special Needs: 180 households to be supported per year

TOTAL: 500

One year goals for the number of households supported through:

Rental Assistance: 0

The production of new units: 50 units

Rehab of existing units: 86 units

Acquisition of existing units: 34 units

TOTAL: 170

Discussion

The Homelessness goals incorporate the information from the overnight shelter numbers. It is the goal in Missouri to continue shelter diversion, in which emergency shelters will no longer be a need. In addition, the need for transitional housing will decrease, however, recognizing the

need for certain populations. Special Needs housing units will be targeted at 180 units per year.

Public Housing

Introduction

As the state housing finance agency, MHDC does not manage or oversee funds to any of the 100+ Public Housing Authorities throughout the state. We will continue to work with the Public Housing Authorities to house Missouri's low-income households to the extent that our HOME Funds allow. MHDC acts as the Performance Based Contract Administrator for the state; the questions below are answered only from the perspective of those properties.

Actions planned during the next year to address the needs to public housing

MHDC does not own or operate assisted housing units directly. MHDC is committed to working with the PHAs throughout the state, ensuring that the needs of the residents are met.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

MHDC does not own or operate assisted housing units directly.

For those PBCA properties within our portfolio, MHDC's Resident Relations department acts as a liaison between the residents and management companies. As liaison MHDC staff encourages communication between all interested parties to ensure that resident input is considered and access to management is improved. A toll-free hotline number of posted at all PBCA properties for resident use in cases where an issue is not resolved in a timely manner. MHDC staff provides follow up to make certain issues are resolved.

If the PHA is designated as troubled, manner in which financial assistance will be provided or other assistance

MHDC does not own or operate assisted housing units directly. MHDC is committed to working with the PHAs throughout the state, ensuring that the needs of the residents are met.

Discussion

As the state housing finance agency, MHDC does not manage or oversee funds to any of the 100+ Public Housing Authorities throughout the state. We will continue to work with the Public Housing Authorities to house Missouri's low-income households to the extent that our HOME Funds allow. MHDC acts as the Performance Based Contract Administrator for the state; the questions below are answered only from the perspective of those properties.

Homeless and Other Special Needs Activities

Introduction

MHDC has a Community Initiatives Department which is tasked with drastically reducing and ultimately ending homelessness in Missouri. As a state housing finance agency, MHDC Community Initiatives Department administers the Missouri Housing Trust Fund, Emergency Solutions Grant program, BoS CoC, Housing First program, HMIS funding, Disaster Relief Funding, homeless study, and Special Needs Housing priority through LIHTC. Oversight from one department for the majority of the homeless assistance programs throughout Missouri allows targeting of funds, consistency of program goals and policies and ultimately, helps end homelessness in Missouri.

One-year goals and actions for reducing and ending homelessness including reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Missouri will continue to conduct two unsheltered PITCs per year to assess the need of our unsheltered individuals. When conducting the PITC, street outreach and needs assessments will be conducted. The PITC is conducted by county leaders.

Addressing the emergency shelter and transitional housing needs of homeless persons

Missouri recognizes the need for Transitional Housing for certain populations. Missouri will continue to work towards shelter diversion, eventually eliminating the need for emergency shelter. Fifty units of Transitional Housing will continue to be created every year in Missouri. Emergency Shelters will be eliminated by 2023.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individual

and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Throughout the state of Missouri, emergency shelter is intended to be eliminated and replaced with rapid re-housing by the year 2023. Transitional Housing will continue to be a priority in Missouri for certain populations, creating 50 new beds per year. The populations of chronically homeless, families with children, veterans and unaccompanied youth are all listed in the MHDC's Qualified Allocation Plan for permanent affordable housing. MHDC will created 180 units of special needs housing per year.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

It is the intent of the Missouri Discharge Policy (adopted by the GCEH in December of 2011) to ensure that all individuals discharged from a state or public facility are discharged into permanent housing; if such housing is not available, plans to place the individual in temporary or emergency shelter must be made prior to discharge. "Every effort must be made through careful discharge planning to work with the client and area resources to seek adequate, permanent housing. In no instance should a person be discharged from a state or public facility with directions to seek housing or shelter in an emergency shelter without having first made every effort to secure permanent housing."

Discussion

Because of MHDC's continued involvement in efforts across the state to end homelessness, we are able to prioritize funds and foster state-wide cooperation. Statewide PITCs increase the knowledge on the state of homelessness in Missouri, and efforts such as the statewide discharge policy and the special needs housing priority actively work to keep those most vulnerable safely housed.

HOPWA Goals

One year goals for the number of households to be provided housing through the use of HOPWA for:

- Short-term rent, mortgage, and utility assistance payments – 110
- Tenant-based rental assistance – 125
- Total - 235

Barriers to Affordable Housing

Introduction

Noted barriers – low AMI, limited funding for affordable home ownership programs, limited funding for affordable housing production, and limited funding for the Missouri Housing Trust Fund – will continue to define MHDC's priorities, programs and areas for improvement over the course of the next year. To the extent that it is possible, strategies for overcoming these obstacles should act as the impetus for changes in the QAP process, HOME allocations and the Missouri Housing Trust Fund programs.

Actions planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing

MHDC will work with the Missouri Congressional delegation and the National Council of State Housing Agencies and the U.S. Congress to improve the Low Income Housing Tax Credit Program by making it more equitable and workable in low income rural communities in Missouri. Using a statewide average median income for determining eligibility for the LIHTC program expands the number of working families and seniors who would qualify to live in a LIHTC unit. This simple programmatic change would keep vacancy rates low in LIHTC developments in some rural communities and help more families benefit from the affordable rents provided by LIHTC apartments.

MHDC has a state LIHTC to augment the federal LIHTC and generate additional equity, lower rents and finance higher quality housing with more amenities for low-income families and seniors. However, due to state budgetary constraints there have been and will continue to be efforts to reduce, reform or eliminate the state LIHTC. MHDC will continue to work with legislators, state elected officials and the Missouri Tax Credit Review Commission to make the credit more efficient and to make sure the state realizes the full benefits from the economic activity and community revitalization that the LIHTC provides.

MHDC will continue to work with state policy makers and its public and private sector partners to remove or ameliorate these and other barriers to affordable housing as they are identified and we will strive to leverage any additional public or private resources that can help alleviate the tremendous need for affordable rental housing, homeownership and homeless assistance and prevention.

Discussion

As the state housing finance agency, MHDC is dedicated to strengthening communities and the lives of Missourians through the financing, development and preservation of affordable housing. MHDC administers the state and federal LIHTCs, HOME funds, the Missouri Housing Trust Fund and the Emergency Solutions Grant. As such, annual allocations are made in accordance with the Qualified Allocation Plan. The programs outlined below represent MHDC's goals for the next year in terms of production, preservation, homeless prevention and housing assistance.

Program Specific Requirements

Introduction

The Program Specific Requirements section looks at how MHDC, the Department of Economic Development and the Department of Health and Human Services administer the statewide federal funds.

HOME Investment Partnership Program (HOME)

1. **A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:**
   MHDC does not utilize its HOME funds for any forms of investment outside of those listed in Section 92.205
2. **Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:**
   MHDC does not currently use its HOME funds to refinance existing debt.

Emergency Solutions Grant (ESG)

1. **Written standards for providing ESG assistance:**

   Grantees/sub-grantees must develop and implement written standards that must include:

- Standard policies and procedures for evaluating individuals' and families' eligibility for assistance.
- Policies and procedures for coordination among emergency shelter providers, essential service providers, homelessness prevention and rapid re-housing assistance providers, other homeless assistance providers, and mainstream service and housing providers.
- Policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families will receive rapid re-housing assistance.
- Standards for determining the share of rent and utilities costs that each program participant must pay, if any, while receiving homelessness prevention or rapid re-housing assistance.
- Standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time.
- Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide a program participant, including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months the program participants receives assistance; or the maximum number of times the program participants may receive assistance.
- If funding essential services related to street outreach; standards for targeting and providing these services.
- If funding any emergency shelter activities; policies and procedures for admission, diversion, referral and discharge by emergency shelters assisted under ESG, including standards regarding length of stay, if any, and safeguards to meet the safety and shelter needs of special populations and persons with the highest barriers to housing.
- If the grantee's CoC, or a portion of their CoC, currently has a centralized or coordinated assessment system and the grantee or any sub-grantees utilize the centralized or coordinated assessment system, the recipient must describe the assessment system and how they will participate.

2. **If the Continuum of care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized of coordinated assessment system**

   All Missouri CoC's are in the process of establishing a coordinated intake system for their CoC. The Balance of State Continuum of Care is working on establishing the best coordinated intake system for a large rural CoC. Missouri utilizes the United Way 2-1-1 system and it will be a part of the coordinated intake strategy.

3. **Process for making sub-awards to private nonprofit organizations (including community and faith-based organizations)**

   The Department of Social Services sub-contracts the state ESG funds to MHDC. MHDC has a competitive application process in which units of local government and nonprofit organizations can apply for funds. The first right of refusal is given to units of local government and if they are refused nonprofit agencies are able to apply directly to MHDC for funding. The state of Missouri allocation is also available at a capped amount to other ESG entitlement communities in the state. It is the intent of MHDC to establish an ESG advisory committee to review these items.

4. **If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG**

   The state of Missouri and MHDC meet the homeless participation requirement 24 CFR 576.405(a).

5. **Performance standards for evaluating ESG**

   As stated in the HEARTH Act the ESG and CoC programs must collaborate on the creation of performance standards. The ESG program is working to align its performance standards with each Missouri CoC as they are developed.

Discussion

The process of writing the 2013 Consolidated Plan shed light on some of the on-going housing issues in the state of Missouri. The data examined throughout the report reflects the most pressing housing need for Missouri's low and moderate income households; the availability of more affordable housing units. 2012 data from The Center for Housing Policy states that "for all households, including homeowners…housing and transportation together consumed an average of 48% of a households' income." That same data compared the rise in housing costs to the rise in income by metropolitan area and found that in the St. Louis MSA, incomes rose 22% (2000-2010) while housing and transportation costs rose by 39%; housing costs were responsible for more than ½ of that 39% rise. Data from the Joint Center for Housing Studies at Harvard University, "The State of the Nation's Housing 2012" suggests that the number of households considered severely burdened (paying more than 50% of household income towards housing) continues to rise – "Between 2001 and 2010, the number of severely

burdened households climbed by a staggering 6.4 million." The data throughout this report supports the idea that more people are paying more of their income towards housing; precipitating a need for more affordable housing throughout the state.

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As the state housing finance agency, MHDC is dedicated to strengthening communities and the lives of Missourians through the financing, development and preservation of affordable housing.