

CDBG FY16 Comprehensive Housing Study

City of Pascagoula

In conjunction with

Cely Consulting



Executive Summary

The City of Pascagoula, with a current population of 22,323 citizens, is a unique community given its proximity to the Gulf of Mexico and home to some of Mississippi's largest employers. Pascagoula's population grew consistently from the early 1900s to 1980 as industry was booming along with associated, supportive workforce housing. Since then, the population has declined by nearly 30%. Pascagoula's demographic makeup consists of approximately 59% White, 33% African American, and 8% other which includes in part American Indian, Asian, and two or more races. Of the overall population, 11% are of Hispanic or Latino descent. The median age has steadily increased over several decades to 37 years currently. The current median family of four income of \$62,700 is the highest Pascagoula has seen in a decade. The City of Pascagoula hosts 10,224 housing units of which 52.4% or 5,357 are owner occupied. The median value of these owner occupied units is \$104,500.

Often times there is a stigma associated with the term "Affordable Housing". However, police officers, firefighters, and teachers are examples of professionals with salaries that typically fall into the low-to-moderate income range where locating sufficient affordable housing is more difficult. Affordable housing is defined by HUD as housing for which the occupant(s) is/are paying no more than 30% of his or her income for gross housing costs, including utilities. Families who spend more than 30% of their income on housing are considered cost burdened. Communities in both metropolitan and rural areas are suffering from a lack of available affordable housing throughout the nation. Although there are some commonalities, each community tends to have their own specific set of circumstances that leads to its particular housing needs. A community with a strong housing market benefits the community and its citizens in overall health, both physical and mental, in addition to benefiting the local economy.

This study set out to identify the housing needs of residents within the City of Pascagoula. Engagement of residents, service providers, and community leaders through individual meetings, public meetings, and engagement charrettes where participants discussed current housing conditions was used to help establish the housing needs of the community. Once the housing needs were established, cities of similar population and demographic construction were identified to assess strategy and best practices. In addition to researching other municipalities, best practices were obtained from other housing studies performed by credible institutions.

Through our discussions with local service providers and residents within the City of Pascagoula, several housing needs were identified as most prevalent. These short and long term housing needs are as follows:

1. Lack of Available Residences for Moderate-Income Families
2. Lack of Available Homeownership Opportunities
3. Conditions of Existing Rental Stock
4. Shortage of 1 Bedroom Rental Units
5. Growing Homeless Population
6. Need for Additional Wrap-Around Services

Pascagoula is a coastal city with the majority of residential neighborhoods located in a flood zone. The cost of flood insurance is a major factor in addressing affordable housing challenges in the City. Pascagoula currently participates in the National Flood Insurance Program (NFIP) with a current rating of Class 7, which allows qualifying residents to receive a 15% discount on premiums. Continuing to work with the Community Rating System (CRS) program to decrease the City's rating is a key step in the efforts to reducing the community flood insurance rates thereby improving affordability.

Our research identified Yankton, SD, Hammond, LA, and Anderson, SC as similar cities to assess best practices given similar characteristics such as population, median age, income, housing values, rental rates, and population changes in addition to published housing analysis performed in the past 10 years. Each of the city's studies listed above agreed on five (5) points:

1. The need for ongoing survey of housing needs and housing conditions in the community.
2. Establish a core group of housing professionals and policy makers to monitor need and drive change.
3. Make adjustments to local policies that hold back the development of new housing and rehabilitation.
4. Establish a rehabilitation and demolition program that preserves historical and cultural areas of the community and creates opportunities for housing.
5. Create opportunities for involvement by working close with the communities, nonprofits, civil groups, churches, businesses, builders, and developers.

Given housing has recently been a widely researched topic throughout the United States; research was performed on national studies to identify common policies. To build a stronger more resilient community, Harvard University's Joint Center for Housing Studies, Minnesota University of Housing Studies, HUD Affordable Housing studies, and other research have identified key elements that are essential for housing to be successful. These elements are listed as follows:

1. Know Your Community
2. Establish Community Networks
3. Policy Review
4. Outreach
5. Process Improvement

This study to identify Pascagoula's housing needs in conjunction with determining best practices from research on similar cities and national studies, resulted in these following recommendations:

1. The Creation of a Housing "Task Force"
2. Gather Routine Data on City of Pascagoula Population, Housing Statistics, and General Market Conditions
3. Test the City of Pascagoula's NFIP Rating to Ensure Rebates are being Maximized
4. Development of Community Revitalization Area to Focus Limited Resources
5. Provide Technical Assistance to Developers & Residents

Pascagoula's housing challenges are not completely unique to its geographical location. In fact, many communities face similar struggles across the Country. However, for those who are having some success, here are some key elements: (1) dedicating efforts of ongoing research, (2) designating resources and (3) committing personnel to maintain the City's goal of Comprehensive Housing. A unified effort from elected officials, local businesses, local non-profits, churches, and community members is essential to capitalize on physical and financial resources. This unified effort combined with established programs in place by both State and Federal government can assist the City in accomplishing its comprehensive housing goals.

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Approach and Methodology

What is Affordable Housing?

The Department of Housing and Urban Development (HUD) is the Federal agency responsible for national policy and programs that address America's housing needs, improve and develop the Nation's communities, and enforce fair housing laws. HUD defines affordable housing in general as housing for which the occupant(s) is/are paying no more than 30 percent of his or her income for gross housing costs, including utilities. Families who pay more than 30% of their income for housing are considered cost burdened and may have difficulty in affording other necessities such as food, clothing, transportation, and medical care.

This standard is not only generally accepted by HUD, but by private financial institutions as well. When applying for a mortgage loan, this principle is one of the primary factors considered to evaluate one's mortgage ability or the amount capable of being mortgaged. It is a concept often referred to as the debt-to-income (DTI) ratio which is calculated by the summation of the estimated house payment inclusive of any principal, interest, and insurance over one's income. While there are many factors in evaluating mortgage ability, the 30% DTI ratio or front end ratio is foundational to housing policy. In essence, the lender implies a DTI above the aforementioned threshold may create too much risk hence, consider the mortgage unaffordable for the particular applicant.

Studies have estimated that nearly 12 million households in the United States, both renter and homeowners, are paying close to 50% of their income on housing. The lack of affordable housing was once considered to be predominantly in major metropolitan areas, but is now accepted as widespread throughout both large and small communities nationwide. Unaffordable housing can be contributed to a multitude of derivatives. Each community presents its own unique set of circumstances which affects its existing housing market. In some communities similar to Pascagoula across the United States (US), rising cost of constructing and maintaining a decent house or apartment complex exceeds what many low-to-moderate income families can afford to pay. In other U.S. communities, where the overall housing stock inadequately supports its housing needs, more affluent homebuyers and renters can bid up the price of otherwise considered moderate housing. At this time anywhere in the United States, the average family with one full-time worker earning the minimum wage cannot afford the local fair-market rent for a two-bedroom apartment.

Benefits of Affordable Housing

Affordable housing is a key component for improving citizens' quality of life in addition to providing an economic boost to the overall economy. Quality of life is affected by both mental and physical health problems that are often associated with lack of affordable housing.

When a family's housing cost is more than they can afford, one of the first impacts is the ability to maintain proper nutritional habits. Food consumption is often inadequate and of lower quality which leads to future health issues. Those with existing health conditions can't afford the dietary items necessary for maintaining proper health. Professional health care in general is often only sought after under extreme circumstances because it is simply unaffordable. Common sicknesses that can be easily treated become magnified due to late diagnosis and/or general lack of treatment. Another health risk is one's exposure to health hazards typically found in sub-par living conditions. These exposed health risks can be dust, mold, and pests that can lead to allergic and asthmatic conditions. In addition, unsafe building conditions, such as improper wiring, can increase the risk of fire and injury.

Mental health is also affected by lack of affordable housing. Those with low-to-moderate income tend to move more frequently which causes anxiety and stress. Issues of overcrowding and homelessness are also contributing factors. Children in poor housing conditions tend to miss more school days due to sickness, inability to get to school, and other issues which are statistically linked to lower educational achievement.

Economically, the benefits of building affordable housing will improve the financial health of a community. Local jobs are created through expanded construction efforts. Materials are purchased through local vendors whose increase in business leads to additional hires from within the community. These workers then spend their wages throughout the community at local restaurants, grocery stores, and other businesses. Often times completed housing units create jobs within the development itself. Ultimately, successful housing policies can be a catalyst in creating an economic stimulator. Affordable housing programs are also less costly to taxpayers than providing social services individually. This is largely due to leveraging of affordable housing funds with private investors to stretch the impact of the dollar.

Process Overview

The intent of the comprehensive housing study was to identify the housing needs of residents within the City of Pascagoula through engagement of local service providers and residents. Our strategy to engage the public consisted of meetings with individual service providers, two public service provider meetings, and two engagement charrettes open to the public to discuss housing needs. Once needs are established through public outreach, cities would be identified with similar population density and demographic construction from which to identify housing strategy best practices. In addition to the identification of best practices through similar cities, best practices would be obtained from other housing studies performed by credible institutions. Ultimately, a set of best practices, programs, and activities identified to address housing needs would be compiled and provided to the City of Pascagoula to use as a reference for future housing development.

The first step was to engage public service providers who are currently servicing citizens within the community. The importance of their participation lied in their day-to-day interaction with citizens, and their understanding of what services/needs were reoccurring and in high demand. Multiple organizations were identified and invited to participate in the discussions. Prior to the two public service provider meetings, our team met with several service providers individually to discuss housing needs identified through their organization's experiences. These conversations help set the table for the pair of larger discussions. The two public service provider meetings were held late in November of 2017 that consisted of input from over twenty service providers in the area. These discussions not only helped us identify needs from their perspective, but guided us in how to best reach out to the public to increase participation in engagement charrettes open to the general public.

In January of 2018, two public engagement charrettes were held to confirm or discount items discovered through service provider meetings and provide residents the opportunity to voice their opinion on needs not previously considered. The event was promoted through existing service provider clientele, flyers distributed in the public school system, local housing authority, existing housing developments, and local news station. A series of perceived needs were presented to attendees while we listened to feedback. Throughout the round table discussions, the floor was opened for attendees to discuss other needs important to them that impact the community. In an effort to obtain measurable data, a poll was taken where attendees were asked to prioritize from one to three both housing needs and barriers that most impacted the community in which they reside. From comments of those who attended the meetings in addition to analyzing poll data allowed us to develop a list of housing needs within the City of Pascagoula.

Once housing needs were identified, research commenced on cities with public data available that were similar in several factors including population, median household income, housing value, fair-market rents, and those with high insurance costs to determine a set of best practices. Through this research, (3) cities were selected as a comparative model to the City of Pascagoula in an effort to address housing needs and determine best practices. In addition to city comparisons, other studies from credible sources were sought after. As the issue of affordable housing recently has been widely studied and researched, we were able to identify other studies to identify best practices and programs to address various housing needs. As no two cities needs and housing factors are identical, these studies would enable us to establish national best practices in conjunction with similar cities.

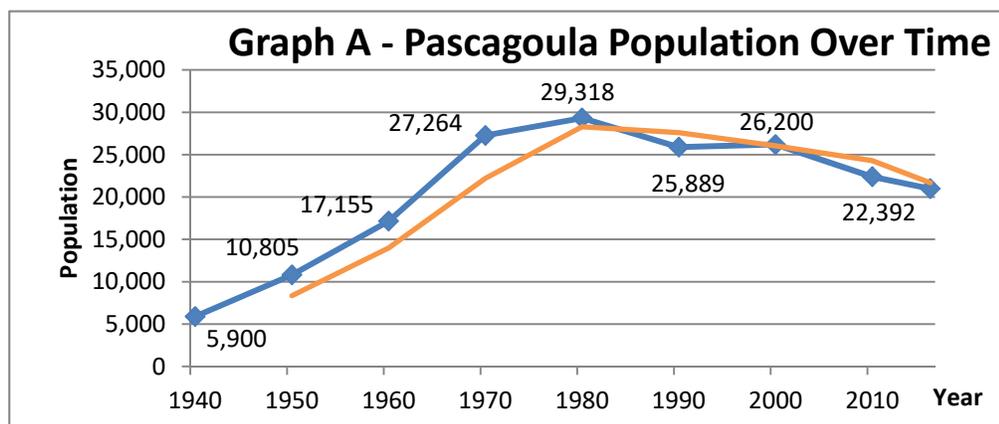
All the information collected through this process contributed in developing the compilation of best practices, programs, and recommendations to address the City of Pascagoula's housing needs. The intent of this report is to help focus all stakeholders' efforts in activities most likely to affect positive improvement in the housing market of City of Pascagoula residents. Certainly, measureable success will not happen overnight. This work will require a multitude of public and private partnerships who are engaged in the community. Periodic monitoring of ever evolving needs and successfulness of established programs must take place to ensure housing needs are being met. Ultimately, a strong housing market sets the framework for a strong community.

City of Pascagoula Population & Household Demographics

Pascagoula, the County Seat of Jackson County, is located in the Southeast portion of Jackson County Mississippi. Pascagoula was first settled in 1540 by Spanish explorer Hernando de Soto. In its early history, Pascagoula was home to numerous saw mills. Given its proximity to the Gulf of Mexico and famed Singing River, the area developed into a port city where timber was shipped across the world. In the early 1900's, a ship building facility was opened in the port city where a large number of residences were built to support its workforce needs. In the 1940's, Ingalls Shipbuilding became Mississippi's largest employer where an additional 5,000 homes were constructed to support the growing industry. Since then, other large companies such as Chevron and the Naval Station operate out of Pascagoula making it home to some of Mississippi's largest employers.

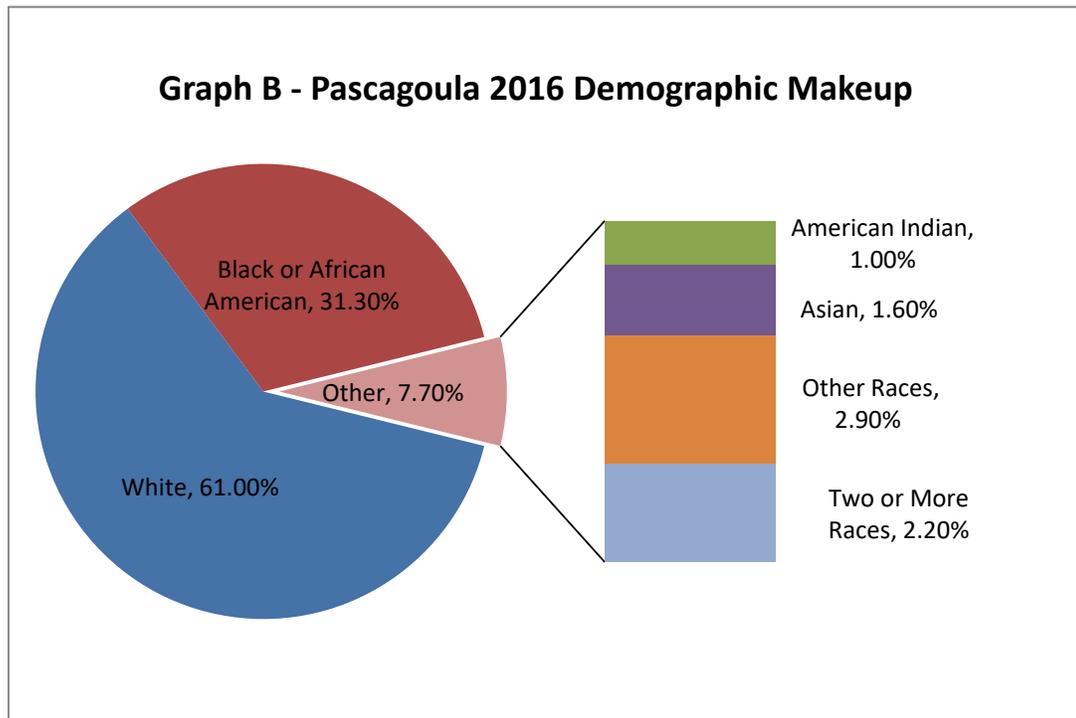
Demographics

The latest Census in 2010 indicated Pascagoula's population to be 22,392 with an estimated population in 2016 of 21,981. As you will see from Graph A below, Pascagoula's population saw a steady increase from the 1940s to the 1970s as the previously mentioned industrial businesses were booming. Its largest population was approximately 30,000 in the 1980s, where it has declined almost every decade since. It's most significant losses came in the 80's when defense spending saw a decrease after the Cold War and late 2000's after Hurricane Katrina devastated the Mississippi Gulf Coast in 2005. It is not uncommon for a city's population to fluctuate over time. However, in this case the population on average has continued to decrease over the last 40 years. This decline in population can lead to stressful housing market conditions.

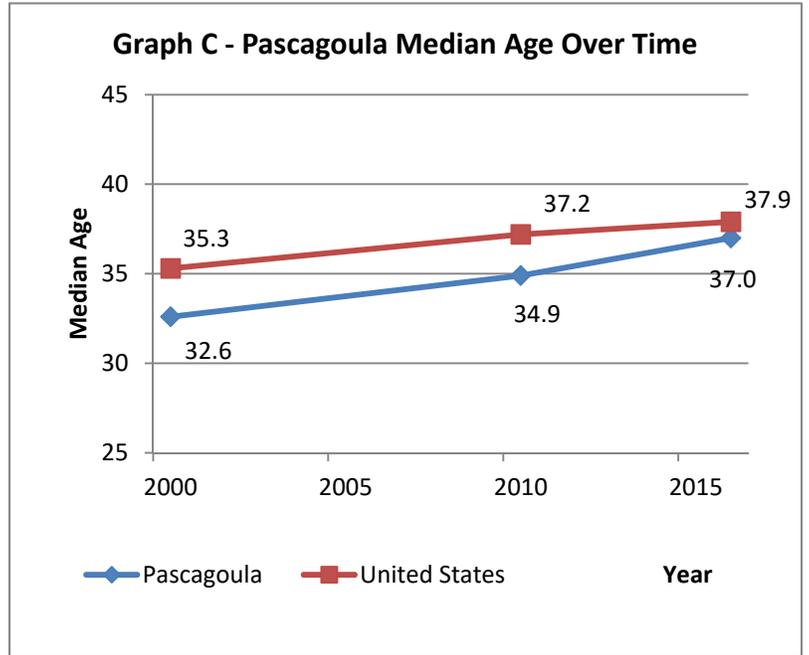


In order to better understand Pascagoula’s demographic makeup; the following table (Table 1) was comprised of Census demographic data since 2000. The table suggests that the male to female ratio has remained consistently even. There has been a slight change in ethnicity ratio specifically as it relates to the increase in overall minority population by percentage. American Indians, Asians, Other Races, or Two or More races increased from roughly 5% to 8% which now makes up approximately 1,750 of Pascagoula’s citizens. Also, since the year 2000 the Hispanic population has changed from 3.9% of overall population to 11%.

| Table 1 | 2000 Census | 2010 Census | 2016 Census est. | % Change From 2000 to 2016 |
|---|--------------------|--------------------|-------------------------|-----------------------------------|
| Median Age | 32.6 | 34.9 | 37.0 | 13% |
| Male | 50.4% | 49.9% | 49.9% | -1% |
| Female | 49.6% | 50.1% | 50.1% | 1% |
| White | 67.2% | 58.8% | 61% | -9% |
| Black or African American | 29% | 32.7% | 31.3% | 8% |
| American Indian | .2% | .3% | 1% | 400% |
| Asian | 1% | 1% | 1.6% | 60% |
| Native Hawaiian | 0% | .1% | 0% | 0% |
| Other Races | 1.7% | 5.4% | 2.9% | 71% |
| Two or More Races | 1% | 1.7% | 2.2% | 120% |
| % of Overall Hispanic Population | 3.9% | 11.04% | 11.0% | 182% |

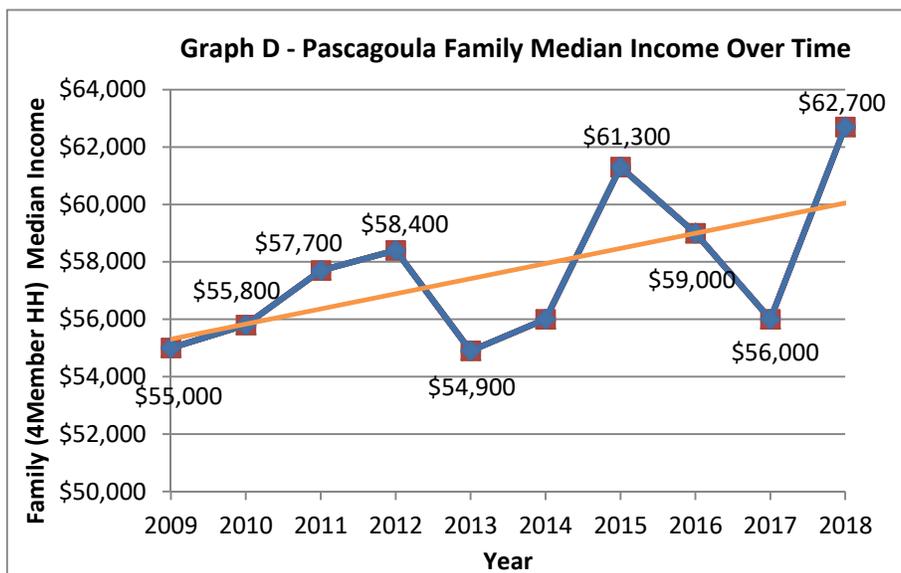


One statistic that has seen a significant change is Pascagoula’s median age. The median age of Pascagoula’s resident has increased since 2000 from 32.6 to 37. Although this only a few years, it is statistically significant in comparison to the national average in its history. In previous years, the City of Pascagoula’s median age has been well below the National average. However, it is now approaching the national average. The nation in general has seen an increase over the last decade as so called “Baby boomers” increase in age, although not at the same pace.



Household Income

According to the most recently published HUD FY2018 Income Limits Summary, the median income for a four member household in Pascagoula is \$62,700. Although this number has fluctuated up and down over the last ten years, the overall trend is an increase in household income (See Graph D). 2018’s median household income currently is the highest it’s been in Pascagoula’s over the last ten years.



HUDs Community Development Block Grant (CDBG) Guidelines defines a person of low-income as a household whose income is less than 50% of a given locations annual median income. Likewise, the CDBG program defines a person of moderate-income whose income is less than 80% of the annual median income. Below is a copy of HUDs recently published FY2018 income limits that apply to the City of Pascagoula.

FY 2018 Income Limits Summary

Selecting any of the buttons labeled "Explanation" will display detailed calculation steps for each of the various parameters.

| FY 2018 Income Limit Area | Median Family Income Explanation | FY 2018 Income Limit Category | Persons in Family | | | | | | | |
|-----------------------------------|---|---|-------------------|--------|--------|---------------|--------|--------|--------|---------|
| | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Pascagoula, MS HUD Metro FMR Area | \$62,700 | Very Low (50%) Income Limits (\$) Explanation | 21,900 | 25,000 | 28,150 | 31,250 | 33,750 | 36,250 | 38,750 | 41,250 |
| | | Extremely Low Income Limits (\$) Explanation | 13,150 | 16,460 | 20,780 | 25,100 | 29,420 | 33,740 | 38,060 | 41,250* |
| | | Low (80%) Income Limits (\$) Explanation | 35,000 | 40,000 | 45,000 | 50,000 | 54,000 | 58,000 | 62,000 | 66,000 |

Existing Housing Data

The latest survey indicates the City of Pascagoula hosts 10,224 housing units with an average of 2.47 occupants per household. Housing units are defined as any living quarter where occupant(s) live separately such as single-family residents, apartments, mobile homes, or any other living quarter with individual access. Of these 10,224 housing units, 52.4% (or 5,357 units) are owner-occupied. The median value of these owner-occupied units is \$104,500. The median monthly owner cost including mortgage, taxes, insurance, and utilities in 2010 was \$1,113. Those without mortgages reported to spend on average \$362 monthly pertaining to property ownership (i.e. Insurance, property taxes, etc..). In total, 82.4% said they lived in the same house one year prior as they are currently living.



Housing Needs as Identified by Service Providers & Pascagoula Residents

| Service Providers Who Participated in Housing Study | | |
|---|--|------------------------------------|
| AARP | City of Pascagoula – Community Development | MS Regional Housing Authority VIII |
| Adrienne’s House | Gulf Coast Center for Nonviolence | NAACP |
| American Red Cross | Gulf Coast Housing Initiatives | Open Doors Homeless Coalition |
| Back Bay Mission | Jackson County CASA | Our Daily Bread |
| Boys & Girls Club | Jackson County Civic Action Committee | Pascagoula-Gautier School District |
| CMG Financial | Jackson County Economic Development Foundation | Salvation Army |
| Cely Consulting | Latino Tax Services | Smart Home America |
| City of Moss Point – Community Development | MS Center for Justice | Trinity Consulting |

Through our discussions with local service providers listed above and residents within the City of Pascagoula, several housing needs were identified as most prevalent. These short and long term housing needs are listed as follows:

- 1. Lack of Available Residences for Moderate-Income Families**
- 2. Lack of Available Homeownership Opportunities**
- 3. Conditions of Existing Rental Stock**
- 4. Shortage 1 Bedroom Rental Units**
- 5. Growing Homeless Population**
- 6. Need for Additional Wrap-Around Services**

Each need along with the associated, perceived barriers is listed below. These will drive the development of best practices, programs, and recommendations that will most suitably address the housing needs within the community.

Lack of Available Residences for Moderate-Income Families

In general, there was a consensus that rental and homeownership options for moderate-income families such as teachers and first responders were limited. In addition to being limited, options to this income bracket were typically seen as undesirable places to live. Citizens felt there was a large amount of properties available to those with high incomes and several properties that seemed to cater to very-low income individuals. As evidence, organizations such as the Pascagoula-Gautier School District expressed in some instances their inability to obtain or keep qualified employees due to lack of housing. The City of Pascagoula is home to some of the state's largest employers including Ingalls and Chevron. A large portion of these employees are commuting to places outside of the City of Pascagoula and in some cases outside of Jackson County. Citizens felt if more housing was available for these moderate-income residents, they would choose to reside within the City where the majority of consumer spending would take place. The perception to some is realtors aren't attempting to sell perspective homebuyers, like young professionals, on the City of Pascagoula. Rather, they are quickly recommending neighboring communities. Ultimately, the issue of flight is concerning and can be directly attributed to the lack of housing for moderate-income families. This may be one of the major factors causing the average median age of Pascagoula citizens to increase.

Lack of Available Homeownership Opportunities

Another prevalent housing need is the lack of available homeownership opportunities. The main contributing factor making otherwise affordable houses unaffordable are high insurance costs. Residents indicated the rise in insurance costs linked to modifications in the National Flood Insurance Program (NFIP) have significantly impacted their ability to purchase. Not only do these high insurance cost impact one's ability to purchase a home, they inherently make the property less attractive to potential buyers, thereby reducing its value. In addition to high insurance costs, residents reported significant increases in utility costs specifically relating to water and sewer. This can have a disproportionate negative impact on fixed income families having limited disposable income.

Organizations and developers reported similar issues regarding new developments. Primarily, projected flood insurance rates were the leading factor in their decision to develop in other areas in Jackson County rather than Pascagoula. Given the median income in Pascagoula is \$41,829; developers felt these insurance rates would make the mortgage ability of their typical target market unattainable. Another restriction preventing new developments is Pascagoula's geographic constraints which limits growth. Neighboring bodies of water of the Mississippi Sound and Pascagoula River in conjunction with bordering City of Moss Point make it difficult to

grow. For this reason large tracts of land, which are more economically developed, within the City limits are rare. These factors lead to the lack of new developments within the City of Pascagoula. However, developers and residents alike indicated a number of empty or vacant lots were located throughout the City for potential infill development if made affordable.

Conditions of Existing Rental Stock

Both service providers and residents felt the condition of existing housing stock within the community was sub-par. In relation to multi-family rental units, there seems to be an abundance that were built years ago that have not been properly maintained. This has created the perceptions of apartments being of “lesser quality”. Also, the decrease in population over the last few decades has made these primarily 2 and 3 bedroom units in less demand. This is evidenced by the numerous move-in specials and deals that are being promoted year-round throughout the community. Low occupancy rates make it difficult for owners to perform necessary upkeep. Likewise, citizens felt the rehabilitations were not keeping pace with the need. Another factor contributing to these conditions is the selection of building materials and methods used to construct structures that leads to quicker deterioration. Although less inferior building materials often look good when new and are less expensive to construct they tend to deteriorate quicker leading to higher upkeep costs. Others felt the large multifamily complex owners had a lack of corporate responsibility or sense of pride in Pascagoula shared by other community citizens. Discussion participants felt the need for dialogue between these owners, the City, and the community at large.

In general, the same conditions exist in the single-family rental market as well. Homes that were affordable tended to be significantly outdated and in need of repair. More updated homes were out of their price range due to high insurance costs being passed on to renters by owners. Some renters in attendance expressed moving from residence to residence in attempt to find a reasonable unit suitable for living. However, they seemed to be plagued by routine plumbing, electrical, or mechanical failures that eventually led to them relocating. In general, some felt the response by landlords to address these issues were slower than they would like.

Another key component to conditions of existing rental stock had to do with the close proximity of these units from one to another and the lack of mixed-income within the development. Participants felt this encouraged unpleasant environments that discouraged current and potential residents. Many felt these concentrated areas had some of the higher crime rates within the City. This type of environment leads to residents feeling unsafe and produces additional mental stress. Again, this is leading to residents looking for properties in other communities along the Mississippi Gulf Coast.

Shortage of 1 Bedroom Rental Units

Although there appears to be an abundance of multiple bedroom rental units available, the waiting list for one bedroom units is substantial. This is likely attributed to many factors. First, single bedroom rental units are not as common due to high constructability cost versus low income capabilities making them unsustainable to developers. Therefore, two and three bedrooms units are developed in greater quantities. In addition to overall shortage, single bedroom units typically make up a large portion of the community needing housing assistance. Single bedroom units typically serve the elderly, disabled, and are ideal for homeless transition housing. Service providers indicated although some availability existed in larger apartment units, federal fund restrictions prevented them from placing one person households into these larger units.

Growing Homeless Population

Some of the organizations that participated in the outreach sessions primary business focus was aiding the homeless population such as Open Doors Homeless Coalition and Our Daily Bread. Although the homeless population is somewhat difficult to track, most felt the number of homeless living within the City of Pascagoula was increasing. However, management systems have recently been developed that are enabling organizations to better track the homeless population. One key function of the management system is tracking the services being provided to homeless population by organizations throughout the community. As previously mentioned most homeless in need of transitional housing require one bedroom units. It has been established a shortage of these units exist in the market. Often times the only alternative is to relocate to other communities where available units exist and some seem unwilling to do so. Therefore, they remain on waiting list for an extended period of time. Largely associated with the homeless population is the need for mental health services. Service providers indicated they were trying to expand their current operations to include more mental health services for this segment of the population. Foods banks, who often provide daily meals for those that are homeless, stated they were experiencing increased regular customers with declining resources available. This makes it difficult adequately serve this population.

Need for Additional Wrap-Around Services

Throughout our discussions, the need for additional wrap-around services within the community was prevalent. Attendees felt that addressing needs strictly related to housing would be unsuccessful if associated community services were not addressed. Although wrap-around services such as transportation, financial education, and access to health care are not always incorporated in housing studies, they generally have a direct impact in successfully addressing housing issues within a community.

Lending institutions and credit counselors in attendance expressed the need for expanded financial literacy education classes. Some families whose income alone would lead to high probability of mortgage approval were being denied due to high debt-to-income ratios from expenses such as car payments, check advance loans, and overall low credit scores. Educating the public on the financial implications of their purchasing decisions would increase the number of citizens qualified to purchase a home. Public or affordable transportation was another service the community felt needed improvement. Public transportation such as the Coast Transit Authority (CTA) didn't operate in Jackson County as it does in others. An increase in available transportation would allow those without private vehicles to move more freely throughout the community to jobs, healthcare appointments, and other needed services. Others felt services need to be expanded to eliminate cultural barriers within the community. Service providers indicated an increase in the Hispanic population requesting services. Language barriers or lack of program knowledge discouraged them from requesting or receiving much needed assistance. Lastly, the community in general felt there was a lack of entertainment, shopping, and other activities to attract new residents or keep existing ones within Pascagoula.

It is also worth noting there seemed to be some disconnect between some of the services currently being offered of which the larger community was unaware. Some services residences were requesting are currently being offered by some of the service providers in the area. Increasing the community's awareness of these services should also be considered.

Flood Insurance & the National Flood Insurance Program (NFIP)

As of July 2017, the National Flood Insurance Program is more than \$24 Billion in debt; rising insurance rates threaten to price many people out of coverage; outdated floodplain maps fail to adequately reflect changing flood risks; and cities don't have the funds they need to take action to mitigate their flood risks, according to the 100 Resilient Cities. The rising flood insurance rates have an effect on low-income and fixed income residents as well as businesses located in the flood hazard zones. Buildings that were built before elevation codes were established are hard hit as well. The increases in rates force people to sell their home, drop their insurance coverage, or relocate out of the area. These increasing rates also affect the renter when the landlord passes the increase in cost down to the tenant.

On a Federal Level, the program and legislation will eliminate some of the subsidies for certain segments to cut down on the debt. However, this will reduce the number of policies and will increase the premiums for those left in the program. Also, policy limits within the program cause some to be underinsured.

NFIP reform should be continually addressed with each reauthorization. It should increase the amount of coverage for policy holders and allow for private coverage to adequately cover the structure and content on the policy. It should also cover the current cost with the increase in rates to prevent those with fixed income from having adverse effects. NFIP should also fund pre-disaster mitigation programs to prevent costly repairs and help reduce the cost of premiums. The City of Pascagoula, currently participates in the Community Rating System (CRS).

The NFIP Community Rating System issues communities a CRS Class rating from CRS Class 1 – CRS Class 10 to those communities who volunteer to participate. A Rating of 1 allows the community the most credit points and affords the greatest premium discounts for residents within that community. Likewise, a CRS Class 10 rating is a community that has never participated in the CRS and will not receive credit points for the premium discounts in that community. Pascagoula currently participates in the program's system. The City's current rating is a CRS Class 7. Pascagoula residents receive a 15% discount on (qualified) flood insurance due to this rating. The CRS rates are based on 4 categories; (1) Public Information, (2) mapping and regulations, (3) Flood damage reduction; (4) Flood preparedness.

Aside from the needed changes in the NFIP program, the lack of fully funding the components of the program (mapping, FEMA, pre-disaster mitigation, etc.) will continue to be an issue for many Communities who depend on the program. Identifying funding sources that will allow for retrofitting or pre-mitigation of existing structures in flood zones is also another avenue for the Pascagoula.

Identification of Similar Cities from Which to Identify Housing Strategy Best Practices

Summary of General Characteristics

Research was performed to identify cities with housing needs and published studies pertaining to those needs that most resemble the City of Pascagoula. Factors used as the basis of comparison were the following:

1. Population
2. Median Age of the Population
3. Income
4. Housing Value
5. Rental Rates
6. Population Changes

Other factors were, whether a housing analysis was conducted in the past 10 years, and if the community had an active Chamber of Commerce. These factors were determined to give the pulse of the communities and driving factors for housing development and population shifts. The communities selected exemplified similar data points and some similar housing challenges.

High Level Comparison Chart (US Census Bureau, 2016 population estimates)

| Table 2 - DATA POINTS | Pascagoula, MS | Yankton, SD | Hammond, LA | Anderson, SC |
|--|-----------------------|--------------------|--------------------|---------------------|
| Population | 21,981 | 14,566 | 20,609 | 27,544 |
| Median Age | 37 | 39 | 28 | 37 |
| Median Household Income | \$ 36,404 | \$41,174 | \$33,364 | \$31,613 |
| Median House Value | \$104,500 | \$127,600 | \$147,600 | \$122,900 |
| Fair-Market Rent | \$738 | \$580 | \$749 | \$649 |
| Population Change from Last Census | decreased | increased | increased | increased |
| Conducted Housing Analysis in Past 10 yrs. | yes | yes | yes | yes |
| Established Chamber of Commerce | yes | yes | yes | yes |

Pascagoula, Mississippi

As previously indicated in the 2010 Pascagoula Housing Study, the City of Pascagoula is a unique community. It holds the State's largest employers and is a mix of residential and industrial living. Aside from its uniqueness, the goal was to locate similar cities with population growth, housing program success, or who faced similar challenges that have been overcome.

The City of Pascagoula is located in the south east corner of Mississippi along the Gulf of Mexico. According to the 2016 Census Pascagoula's population is 21,981. This is a 411 person decrease from 2010. Pascagoula's Median Household Income was reported at \$36,404 and Median Housing Value at \$104,500.

The State of Mississippi's population growth from 2010 to 2017 was at .57%. Mississippi ranked 46 in the nation for the population growth in the US between April 2010 and July 2017, according to the 2017 Census Bureau. The overall housing economy for South Mississippi has been labeled "soft" by HUD's 2011 Market Analysis and "slightly soft" by their 2016 Market Analysis.

Yankton, South Dakota

Yankton is located in the south east portion of South Dakota on the Missouri River. According to the 2016 Census, Yankton has experienced a .6% population growth. Over the past three decades, the City has been gradually adding to the population at an average rate of 6.2%.

The City increased by 91 people from 2010 Census to the 2016 Census. The Household Median Income is \$41,174 and the Median Housing Value is \$127,600, according to the 2016 Census Bureau. Between 2000 and 2010 the Greater Yankton region has increased 2.8%.

South Dakota ranked 15th in the US on population growth and an overall 6.2% growth since 2010. According to the 2013 HUD Regional Analysis, the area housing market was labeled "tight". The homes available are slightly under the population growth.

Like Pascagoula, many of the jobs in the City are being filled by workers who don't live in the City. According to their 2017 comprehensive study, 74% of Yankton's city-based workers travel 20 minutes or less to work. It also found that most of their residents worked in the City. However, 2,600 residents commuted outside the city limits for their primary job.

Their study identified 4 key areas that would assist them in the efforts to increase the population and strengthen housing and economic growth.

1. Rental Housing

The overall demand for rental units in Yankton showed a need of 140 to 165 units within a five-year forecast. The study showed the need for higher quality rental units and some with additional square footage. Finally, additional units for moderate-to-higher income renters are needed for the workforce population.

To keep pace with the identified need, the City used findings from the study and worked with developers and nonprofits to develop a plan to construct various phases of rental units. The City is working with developers on the tax credit program to draw more rental units to the area. This would assist the project in getting qualified for project-based subsidies. The local housing authority and nonprofits then would work with applicants/tenants to get them qualified for rental-based subsidies. Even with this assistance, the City anticipates there will still be renter households with housing burdens. Due to the cost and limited program funding, it was determined to be unlikely that new construction of rental units to serve households with incomes below \$20,000/year would take place within the next five (5) years.

The study identified the workforce and senior housing units as those with the greatest need. These units also provide additional amenities, which are afforded by the tenant. The extra square footage and increased quality of rental unit have been identified as a need and would draw additional population. Small scale but successful attempts at serving this segment of the rental population have been individual owners of downtown property and buildings that have been converted into moderate-to-high end rental units. This repurposing and redistricting has created new traffic to downtown while serving a need.

2. Home Ownership

One of the primary goals for the City of Yankton is to expand home ownership and generating new owner-occupied housing construction. The City experienced moderate population growth over the past 30 years. This has created a strong and steady construction and real estate market in and around the City.

To expand their homeownership within the City limits, the 2013 housing study showed a need for single-family houses. Some of the success in this area was identified by their 2017 study was in the construction of attached single-family housing in two and four unit configurations. To keep up with the demand, the 2017 study indicated that

constructing between 35 and 45 housing units per year over the next 5 years would be needed.

The study also indicated that more single-family units were constructed and filled in the past 5 years due to needs that were identified in previous studies. The City worked with a private nonprofit community development corporation who partnered with home builders and developers to build a new mix of residential and multi-family subdivision. As of the 2017 study, the development was well underway and units have been sold. Although the City's identified its role in the development as limited, they did work with land owners, planning, and zoning to allow for the proper development to fit the needs.

It was recommended that the City continue to work with local housing authorities, state housing development agencies, and local financial institutions to utilize all available homeownership assistance programs. To assist with lowering housing cost the report suggested the City contribute land that it may have for housing developments.

3. Housing/Neighborhood Rehabilitation

The Yankton 2017 study also reviewed current housing and rental stock renovations, rehab, and blighted projects. The City participates in state funded programs that assist with demolition of blighted properties. They also work with nonprofits, real estate offices, and contractors to assist with the rehab projects. The study indicated that for a rental rehab program to be workable and successful, the funds should allow for program flexibility to the greatest extent possible. It identified program limitations to rehab work, i.e. "curb appeal" grants, which will only repair the front of a building and not the plumbing or leaking roof.

The 2017 study recommended that community agencies and area housing authorities identify and apply funds to develop an ongoing housing rehab program for the City. The study also identified a need for the City to create a rental housing inspection program that would monitor rental housing conditions. However, no guidelines or funding options were suggested.

4. Planning and Community Involvement

The Yankton study identified the primary reason the community is involved in housing is the strong local economy. "Yankton has consistently maintained a below-average rate of unemployment, and fears of a worker shortage has prompted local efforts to create

affordable housing.” – 2013 Yankton study. The 2013 study recommended the City look to local employers for involvement in housing solutions. During this time the State of South Dakota offered an Employer Mortgage Assistance Program.

The study encouraged local agencies to work together to implement new housing initiatives. “In 2017 the Yankton area continues to benefit from public and nonprofit organizations that work on housing issues. The City staff, local housing authorities, Redevelopment commissions, nonprofits, partnerships, and community members work together to meet the common goal of the City. Because of the unified efforts and relationships, Yankton has paved direct access to state and federal housing authorities.” 2017 Yankton Study.

Hammond, Louisiana

The City of Hammond, Louisiana is located in the eastern portion of the state between Baton Rouge and Covington. The southern portion of the City is located near Lake Pontchartrain. Between 2010 and 2016, The City of Hammond’s population increased by 3% or 98 people per year according to the US Census Bureau.

Hammond’s population increased from 20,007 in 2010 to 20,609 in 2016. The Household Median Income is \$33,364 and the Median Housing Value is \$147,600, according to the same Census Report. Hammond’s housing market and population shifts have been due to several natural disasters (hurricane and flood) since 2005.

Louisiana ranked 37 in the US for population growth between 2010 and 2017. The overall state growth was 3.3% during this same time. Parish wide, new home construction has decreased since 2012 according to HUD. The above factors have also caused a slight drop in housing prices.

In April of 2007, the City of Hammond started a workforce housing study to determine “why was homeownership mostly out of reach for the Hammond area workforce population”. Even prior to Hurricane Katrina, the City struggled with workforce housing but the years since Katrina, the problem has been compounded. The City created a Workforce Housing Initiative to specifically address workforce housing. It also assembled a “Blue Ribbon Task Force” made up of administrative leadership to review and guide the initiative. This initiative is ongoing and provides the needed research to create Hammond’s Strategic Plan for workforce housing. This plan is reviewed, adjusted accordingly, and voted on annually by the elected officials.

The objective of the Initiative was to find the gaps in workforce housing, identify causes, and establish goals to close those gaps. The City of Hammond identified 7 goals.

1. Goal 1

“Establish and maintain mechanisms at the local and parish levels to provide the City with accurate, up-to-date estimates of the Hammond area population throughout the lifetime of the WFH Initiative.”

Prior to 2007, Hammond had no reliable annual or real time data on population fluctuations. This goal recommended that the City hire community development staff dedicated to this initiative. The City then, established working relationships with the local building association, area board of Realtors, economic development foundation, and chamber. The City worked closer with the tax authorities, local police, and governmental agencies to collect neighborhood data, population changes, and potential needs.

2. Goal 2

“Track housing demand in parallel with Hammond area population, and complete a specific number of workforce housing units per year to cover current need and project pre-determined extra units for population surges due to unforeseen circumstances.”

The report recommended the city and parish leaders to supply adequate workforce housing stock to meet the demand of 160 through 200 units per year for the next 3 years and increase as needed for the following years. Both the city and parish worked and identified various tracts of land both in size and location that would be suitable for workforce housing projects.

3. Goal 3

“Identify, recruit, and educate developers (for single-family homeownership) on possible incentives that the City of Hammond can provide to meet the Workforce Housing demand.”

The report identified and recommended resources that the City should work into its strategic plan. (HUD, city planner, city attorney, city engineer, real estate professionals, local home builder association, and local news media). The recommendation was to

identify incentives and programs that would draw developers and to provide technical assistance to build workforce housing units on the property identified by the research.

4. Goal 4

“Provide incentives to help encourage the construction of single-family workforce housing for homeownership.”

The study encouraged the City to work with federal, regional, and state agencies, state housing finance agency, city attorney, city staff, city engineer, American Dream Down payment Initiative (ADDI) grants, and loans to develop areas identified as workforce housing. These relationships were recommended to identify programs and policies that would assist in workforce housing development.

5. Goal 5

“Design, develop, and execute organized and consistent credit counseling and homebuyer training programs for prospective homeowners.”

The study identified the following resources to assist with this goal; Local Lenders, The American Dream Down payment Initiative (ADDI), The Money Smart Program, HUD counseling funds, The Louisiana Housing Finance Agency (LHFA), ECD-Hope Community Credit Union, and The Individual Development Account (IDA) program. Hammond’s workforce housing population’s largest challenge was getting qualified for affordable housing, even if housing was available.

6. Goal 6

“Educate, encourage, develop and support partnerships with HUD and ADDI certified lenders”

The study identified deficiencies in certified lenders in the Hammond area. To support the other goals identified, the workforce population needed experts in the lending field to expedite the application process and guide them over potential financing hurdles. The study recommended the City work with lenders and developers to market single-family workforce housing and support certified lenders.

7. Goal 7

“Develop public awareness and gain public acceptance of workforce housing in the Hammond area.”

The study identified challenges with the respect to local public opinion on workforce housing. Housing values and schools decreasing and crime rates increasing were some of the topics. The study recommended working with local media, civic groups, real estate associations, and developers to promote the benefits of workforce housing in Hammond.

The Workforce Housing Initiative of Hammond has been successfully implemented and is incorporated into the City’s Master Plan. Quarterly progress meetings with the workforce housing personnel are held by City and an annual progress meeting with strategic partners (lenders, nonprofits, elected officials, chamber, and businesses). These meetings provide an examination of progress and challenges in “real time” so adjustments can be made to the goals to meet those needs.

Anderson, South Carolina

The City of Anderson, South Carolina is located in the north west corner of the state. Anderson experienced a 4% growth between 2010 and 2016 according to the US Census Bureau. The City of Anderson is located in the County of Anderson. Overall the County has grown during the time period by 5%.

According to the US Census Bureau, the City of Anderson’s population increased by 858 people between 2010 and 2016. The Household Median Income is \$31,613 and the Median Housing Value is \$122,900 as reported by the US Census Bureau.

The state of South Carolina ranked number 10 in population growth in 2017. The state’s population growth rate from 2010 to 2017 was 8.6%. Available homes for sale dropped by 51% from 2010 to 2016.

In 2009 the City of Anderson, SC worked with city leaders, neighborhoods, and nonprofits to prepare a realistic roadmap to improve, enhance, and strengthen housing in the community. The City conducted 12 months of research, surveyed neighborhoods and employers, worked with churches, non-profits, state officials, and other community organizations which has led to specific strategies for improving housing, encouraging walkable streets, and creating an environment that allows people to connect to people, access schools, parks, and business

centers. These findings and recommendations were published in the City's Neighborhood Revitalization Implementation Plan.

The study divided the City into 11 different sectors and evaluated them on eight (8) factors including information from "windshield surveys", crime data, demographic data, household income trends, household pattern types, and foreclosure data. It addressed land use, zoning, parks and recreation, public safety, transportation, and other factors including housing. For the purposes of comparing to the City of Pascagoula, we will on focus on the City of Anderson's efforts to stabilize neighborhoods that were identified as "at risk".

The Anderson Revitalization Plan identified many neighborhoods throughout the City that are challenged by increasing numbers of abandoned and dilapidated buildings, housing foreclosures, lack of infrastructure maintenance, and crime. As with many communities, Anderson has struggled to maintain older neighborhoods as populations grew toward new developments. The Plan identified the neighborhood character as being part of the local culture and at risk for being lost. Various ordinances and zoning redevelopment policies were requested to be revisited to help preserve historical and cultural characteristics of the neighborhoods. Likewise, rehabilitation and new construction requirements to reflect historical or cultural characteristics were recommended. The City had over 41% of the parcels in targeted neighborhoods that were classified as in poor to dilapidated condition. "There was a strong need for housing rehabilitation and demolition for these neighborhoods," the study reported.

The Plan called for strategically placed infill developments and housing rehabilitations. At the time of the study no specific demolition or rehabilitation funding opportunities were identified. However, because demolition and rehabilitation is a priority in the redevelopment plan, it recommended funding for these items through general fund allocations. The Plan also recommends seeking demolition and rehabilitation grant opportunities as they become available. It noted that removal of blighted property around parks, municipal building, revitalized areas, and within the high-risk neighborhoods would promote future development, reduce crime, and increase value.

City Comparison Summary

The Cities that were selected as a comparison face their own unique challenges but have reached a level of measurable success in the areas that Pascagoula faces challenges. Each of the studies listed above agree on five (5) points.

- 1 – The need for ongoing survey of housing needs and housing conditions in the community.
- 2 – Establish a core group of housing professionals and policy makers to monitor need and drive change.
- 3 – Make adjustments to local policies that hold back the development of new housing and rehabilitation.
- 4 – Establish a rehabilitation and demolition program that preserves historical and cultural areas of the community and creates opportunities for housing.
- 5 – Create opportunities for involvement by working close with the communities, nonprofits, civil groups, churches, businesses, builders, and developers.

Best Practices, Programs, and Recommendations

Best Practices

To build a stronger more resilient community, Harvard University's Joint Center for Housing Studies, Minnesota University of Housing Studies, HUD Affordable Housing studies, and other research have identified key elements that are essential for housing to be successful.

1. Know Your Community - Ongoing efforts should be taken to identify needs in the community. At a minimum an annual review is recommended to track progress, identify changes, and to manage obstacles. "Housing data are essential to understanding the living conditions of our communities and judging their adequacy. When collected regularly, they provide a basis for assisting changes in conditions over time. They also provide a powerful means to advocate for action to address the shelter needs of people who lack decent and affordable housing." (Housing Assistance Council 1992)

2. Establish Community Networks – It is recommended that a local unit of government dedicate resources to housing. It is further recommended that those resources work with local community outreach organizations, housing authorities, chamber of commerce, religious institutions, civic groups, and other neighborhood programs. To identify need and for assistance in working the goals.

3. Policy Review – Based on need, the policies, zoning, and codes of the governing body should be reviewed and amended to promote housing rehabilitation and development. Incorporating the goals of housing into the municipality's masterplan will assist in a comprehensive approach.

4. Outreach – Working with communities and developers/builders to understand the needs and creating incentives for them to build affordable units. Working to progressively change negative community outlook on affordable housing by creating opportunities for the community to participate.

5. Process Improvement – Creating a seamless step-by-step process for a future renter or homeowner will not only prepare them and save time but it will increase the success of them finding and obtaining housing. Creating the same process for builders or developers listing benefits for building/rehabilitation of housing will attract more builders or developer, reduce time, increase success rate, and reduces barriers for all.

Programs

Programs that would match with the City of Pascagoula's goal of housing needs are as follows:

1. HUD Rental Assistance Program - This is an income restricted program that assists with monthly rental payment.
2. Blight Elimination Program (BEP) - A program to help local governments prevent foreclosures and stabilize neighborhoods. BEP reduces foreclosures among neighboring properties and strengthens neighborhood property values. Mississippi Home Corp (MHC) will work with applicants and program partners to strategically target residential properties for demolition and greening within Mississippi to remove blighted properties.
3. The HOME Program for Homebuyer Assistance (HOME) - The Homebuyer Assistance Program (Mississippi Home Corporation – Home Loan Plus) provides down payment and closing cost assistance to credit worthy families that are purchasing a home.
4. The HOME Program for Rehabilitation/Reconstruction (HOME) - The Homeowner Rehabilitation / Reconstruction Program is a competitive grant program that is available to provide assistance to families that are making major repairs or reconstructing their home to bring it up to Southern Standard Building Codes. Since HOME Program funds are limited, projects must compete for available funds. Rating criteria, amount of funding available, and application due dates are published annually.
5. Housing Trust Fund (HTF) - The National Housing Trust Fund (HTF) increases and preserves the supply of rental housing for extremely low-income (ELI) households earning less than 30% of area median income (AMI) or the federal poverty guidelines published by the Department of Health and Human Services (whichever is greater). Grantees are required to use at least 80 percent of each annual grant for rental housing; up to 10 percent for homeownership housing; and up to 10 percent for the grantee's administrative and planning costs. The HTF can be used to build, preserve, and rehabilitate housing for ELI and VLI households.
6. HOME Investment Partnership Program - The HOME Investment Partnership Program, "HOME Program", provides safe, decent, affordable housing for very-low and low-income citizens. The HOME Program is governed by 24 CFR Part 92 and other federal cross-cutting regulations. The activities funded by the HOME Program include

homebuyer assistance, homeowner rehabilitation, substantial rehabilitation of multi-family rental units, and new construction of multi-family rental units.

7. Emergency Solutions Grant (ESG) - The ESG program provides funding to: (1) engage homeless individuals and families living on the street; (2) improve the number and quality of emergency shelters for homeless individuals and families; (3) help operate these shelters; (4) provide essential services to shelter residents, (5) rapidly re-house homeless individuals and families, and (6) prevent families/individuals from becoming homeless.
8. Housing Opportunities for Persons With AIDS (HOPWA) - The Housing Opportunities for Persons with AIDS (HOPWA) Program is the only Federal program dedicated to the housing needs of people living with HIV/AIDS. It was established to provide housing assistance and related supportive services for low-income persons living with HIV/AIDS and their families.
9. Housing Tax Credit Program (HTC) - Financing which offers investors a 10-year reduction in tax liability in exchange for capital to build eligible affordable rental housing units in new construction, rehabilitation, or acquisition with rehabilitation.
10. MS Affordable Housing Development Fund (MAHDF) - A construction loan for developers to use in pre-development, site control, and site development of new owner-occupied, rental, or rehabilitation properties.
11. House Bill 530 Construction Loan Fund - A construction loan for developers to finance new owner-occupied affordable single-family housing units.
12. The Local Government Capital Improvements Revolving Loan (CAP) - The CAP Loan Program provides loans to counties or municipalities to finance public infrastructure improvements in Mississippi in support of business location and expansion projects and other community-based projects. Local units of government are encouraged to use these loans in connection with other state and federal programs.
13. The Mississippi Development Infrastructure Program (DIP) - DIP provides grant assistance to counties or municipalities to finance small infrastructure projects that promote economic growth in the state of Mississippi. Counties and municipalities are encouraged to use these funds in connection with other state and federal programs.

Recommendations

The outreach performed to identify Pascagoula’s housing needs in conjunction with research on similar cities, best practices from national studies, and Federally/State funding programs listed, the City of Pascagoula should deeply consider the following recommendations:

1. The Creation of a Housing “Task Force”

There is a strong need for a concentrated effort amongst all City of Pascagoula stakeholders so the city can work to address its housing needs as focused and efficiently as possible. With limited resources efficiency and collaboration is paramount. With that being said, the creation of a task force will help develop initiatives and lead its efforts in a concentrated way. This task force should comprise of a wide array of professionals involved in the housing industry including City personnel from community development, planning, and zoning. Other members should include local housing developers, local home builders association, realtors, lending institutions, housing authorities, community representatives such as civic action committees, and multi-family property owners. Members should be selected whose roots in Pascagoula are deep and share the same passion for the City of Pascagoula as its residents. Members should understand the housing needs as identified in this report and their evolution over time whose professional experience can provide feasible solutions to problems at hand. These professionals will act as a liaison for their particular market segment that shares information and gets other community stakeholders involved.

2. Gather Routine Data on City of Pascagoula Population, Housing Statistics, and General Market Conditions

In order for the created housing task force to adequately create and modify housing initiatives that serve the community’s housing needs; it must have routine access to information that allows it to gage the pulse of the community. National studies such as the Census provide valuable information on a routine basis, but the frequency of every 10 years is insufficient. Studies on a yearly basis will allow members to evaluate whether enacted programs are successful in achieving their desired outcomes and others that are not in a timely manner. Also, community’s housing needs are ever evolving. This information will identify these shifts in needs so members can adjust initiatives accordingly.

3. Test the City of Pascagoula's NFIP Rating to Ensure Rebates are being Maximized

Studies have indicated a significant factor in the lack of affordable housing within the City of Pascagoula is the high cost of flood insurance. The majority of property within the city limits is located in a flood zone. Recent modifications to the NFIP have significantly increased policy holder rates which have forced people to sell their home, drop their insurance coverage, or relocate out of the area. These increasing rates also affect the renter when the landlord passes the increased cost down to the tenant and in general significantly discourages new developments within the city limits. This has led to stressful market conditions and lack of sufficient housing.

The City of Pascagoula's current CPS ranking is 7 which provides every qualified policy holder with a 15% discount. The maximum discount provided by the NFIP by lowering ones CPS ranking is 45%. The factors that determine ones CPS rating are; (1) Public Information, (2) mapping and regulations, (3) Flood damage reduction; (4) Flood preparedness. Continuing to work with the CRS program to decrease the City's rating is a key step in the efforts to reducing the community flood insurance rates. Identifying funding sources that will allow for retrofitting or pre-mitigation of existing structures in flood zones is also another avenue for the City of Pascagoula.

4. Development of Community Revitalization Area to Focus Limited Resources

Municipalities, housing authorities, or housing initiative task forces often times find themselves overwhelmed by a wide variety of needs over a large geographic area with limited resources available to address these needs. Studies have proved that funneling resources to geographically focused areas produce longer lasting results than same efforts spread across the larger area. The previously mentioned task force should use data gathering methods to identify neighborhoods throughout the City that are challenged by increasing numbers of abandoned and dilapidated buildings, housing foreclosures, lack of infrastructure maintenance, and crime. A Community Revitalization Area should be established with dedicated personal to drive revitalization efforts in these specific areas.

If the City does not own properties within the revitalization area, the City should work to acquire properties in order to have more control over driving future developments. Land should be donated to developers in conjunction with funds from programs such as the HOME Investment Partnership Program to entice developers to build in these areas. This, in turn, will act as a catalyst by raising surrounding property values and encouraging surrounding property owners to clean up their properties. In conjunction

with spurring development on empty lots, grants such as the Blight Elimination Program and The HOME Program for Rehabilitation/Reconstruction (HOME) should be sought after for rehabilitation and/or façade projects. Areas close to main thoroughfares, public facilities, parks, etc... should be considered as primary, initial targets.

Once these areas are established, the City should work with the planning and zoning department to establish codes and ordinances that further spur development while still preserving the historic integrity of existing neighborhoods. This may come in modifying setback requirements, offering re-platting services, and any other reasonable request that maintains public safety and the integrity of neighborhoods.

5. Provide Technical Assistance to Developers & Residents

In general, the City should act as an incubator for educating developers, builders, and potential buyers/renters. Often times developers and builders have little knowledge or experience with state and federal programs that are intended to entice development. Ultimately, public and private partnership is the key by leveraging available funding sources with developers' private funds. Providing seminars and encouraging workshop participation from organizations such as the Mississippi Development Authority will peak interest. Consolidating a list of programs and associated CFR regulations will provide a valuable resource to educate developers making otherwise infeasible projects possible.

Likewise, services can be offered to low-to-moderate income residents to improve mortgage ability through home buyer assistance and credit counseling courses. Providing incentives for residents to attend these should be encouraged. Maintaining a list of these citizens that are near mortgage ready should be kept to provide to developers. These services do not necessarily all have to be performed in house by City, but potentially by partnering with other local service providers who can provide these services. Offering grants to these organizations to expand their service offerings should be considered. In essence, the City should work to tackle the gap in affordable housing from both sides; developer/landlords and homeowner/tenants.

Conclusion

Pascagoula's housing challenges are not unique to its geographical location, many communities face similar struggles across the Country. However, for those who are having some success to affordable housing there are a few factors that are prominent with each. Some key factors to affordable housing challenges are (1) dedicating efforts of ongoing research, (2) designating resources and (3) committing personnel to maintain the City's goal of Comprehensive Housing. A unified effort from elected officials, local businesses, local non-profits, churches, and community members is essential to capitalize on physical and financial resources.

Communities are more fluid now than ever before and monitoring this change should include more than an annual review of market status. Ongoing research is needed on the specific neighborhoods, their needs, and establishing a priority list that matches the City's overall housing goals. Frequent monitoring of a neighborhood's vacant homes, sale prices, home conditions, street conditions, landscape, demographic, and other criteria will assist the City in identifying potential down turns before it becomes an issue. Conducting community meetings neighborhood by neighborhood, speaking with community members at other functions (festivals, night out on crime, river walk events, etc.), and surveying local businesses, landlords, or renters are pro-active measures that City officials could take to connect and keep a pulse on the community. This information should also be used to drive the ongoing goal of Comprehensive Housing for the City.

Designating resources specifically for the advancement of Comprehensive Housing is key to the City's commitment to housing. Office Space, web space, and administrative support dedicated to the City's housing goals are essential for establishing and maintaining affordable housing. All other resources such as grant writers, contractors, closing attorneys, appraisers, lenders, banks and counselors are resources that support the City's housing goals. With a comprehensive goal, local business, state and federal funding agencies are also resources that would support the City's efforts. The NFIP is a resource that cannot be overlooked. Working with this program could reduce the insurance burden to help meet the City's Housing goals.

Finally, and most importantly, having dedicated personnel that will champion the Comprehensive Housing agenda. This is a crucial component to the City's success in its housing goals. Identifying knowledgeable professionals for a housing committee, hiring a department of housing experts, or contracting with a firm to establish housing essentials, securing committed person(s) to manage, and maintain the goal of Comprehensive Housing is most important part of the City's plan. This dedicated team/board is the driving force behind the surveys, research, establishing measurable objectives to meet the overall goal. Without this element, minimal accountability is offered, and the goals are not met. Ultimately, no program or vast amounts of funding will sustain the City's housing goals without a dedicated team, clear vision and community support. These committed professionals, along with devoted citizens' engagement and support, can steer Pascagoula's housing strategies to provide sustainable housing for years to come throughout the City.

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