

# The stress of keeping a roof overhead

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Editor's note: This is the third of a multi-part series on the changing faces of homelessness in this region and the effort to obtain an accurate count of the homeless population.

By STEPHANIE PORTER-NICHOLS/Staff

In cold weather, Appalachian Power can't legally shut off electricity to homes, but Andy Kegley, a housing advocate in Southwest Virginia, worries what will happen come spring as bills hiked by below-freezing temperatures and rate increases go unpaid. "It's scary what's going to happen," he said in a recent interview about the changing dynamics of homelessness in this region.

Kegley, who is executive director of H.O.P.E. Inc., a regional non-profit addressing poverty issues, knows homeowners were stretched financially well before utility bills spiked.

Last fall, H.O.P.E. received a two-year \$547,000 stimulus funds grant to help people who had fallen behind on rent and utilities. On Nov. 1, the federal government advanced the agency \$80,000. Of that money, Kegley said \$71,000 was to go directly to help people. It was obligated within one week to more than 50 families. The need was so great, that Kegley, believes the entire grant amount could have been spent immediately.

On Monday, the agency expects an influx of individuals as another round of money is allocated. All perspective clients are screened to determine eligibility, verify job loss, assess risk of homelessness and confirm related information.

The grant was designated for Smyth, Bland, Wythe, Carroll and Grayson counties and the city of Galax. Much of the money in the first round went to Wythe residents, and Kegley said steps were in place to assure that funds will be equitably distributed in each locality. Once individuals' eligibility is verified, he said, a lottery system will be used to ensure fairness in distribution.

In this region, Kegley explained that about 80 percent of residents own their home, while 20 percent rents. He noted that 2 percent of mortgages in the state are in foreclosure, but up to 25 percent are in stress.

"Whether they own or rent, there are many victims of bad economic times," said Kegley.

He pointed to 2008 figures from the National Low Income Housing Coalition.

In Smyth and Wythe counties, the Fair Market Rent for a two-bedroom property was \$535. The annual income needed to afford that rent amount, according to the coalition, is \$21,400, or an hourly wage of \$10.29. Minimum wage is \$5.85. To afford the two-bedroom apartment, the coalition projects at minimum wage an individual would have to work 70 hours a week to afford the rent.

In addition to the stimulus funds, H.O.P.E. continues its multi-pronged approach to regional housing issues. The agency recently purchased a 13-unit complex in Hillsville that had been foreclosed upon and is working on financing and rehabilitation to create a low-income housing complex. H.O.P.E. already operates a similar complex in Wytheville and is developing Deerfield Community in Wytheville, a subdivision to service families with good credit and annual incomes under 65 percent of the area's median income. Pre-recession, Kegley noted that the town of Wytheville averaged 25 new homes built per year. Last year, H.O.P.E. had five of the six new home building permits. A non-profit, he reflected, was about the only new home builder in the community.

The good news, he said, is that money is available for first-time homebuyers to enter the housing market. Lots of people, he said, are realizing that they can now shift from renting for \$500 a month to owning for \$450 a month.

Part of H.O.P.E.'s mission, Kegley said, is to create more single-family housing developments. Simultaneously, the agency and the Continuum of Care that includes a diverse range of agencies are looking at more transitional and specialized housing to address the needs of special population groups.

Helping people move out of crisis and even out of temporary shelters, Kegley believes is critical to finding solutions for the chronically homeless. He emphasized proactive strategies to “eliminate some of the chronic, cyclical homelessness.”

Whether it’s someone in crisis who just lost a job to an individual that struggles with mental health issues or substance abuse, Kegley contends the effects of homeless touch the entire community. He hands out a simple business card that reads in part: “It’s your problem too... HOMELESSNESS costs everyone.”

Pat Helton, executive director of the Crossroads Shelter for the homeless and a member of the Continuum of Care, agrees that even getting that seemingly simple message out is vital to the issue. “There is a hurdle there as well. People in any community do not want to think there are homeless people in their community,” she said. Helton recalled hearing people in various part of the service region say, “We don’t have that problem here.”