A Local Perspective on the Troost Corridor and the Urban Neighborhood Initiative

Where Do We Stand?

Urban Neighborhood Initiative
A Plan for Connecting People and Building Community
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Who and What is the Troost Corridor?

• Who/What are the Troost Corridor, and why them?
• The Link between the outcomes we want and housing.
• The state of housing in the Troost Corridor: Where are we now?
A Local Perspective on the Troost Corridor

WHO/WHAT ARE THE TROOST CORRIDOR, AND WHY THEM?
Incomes are low in the Troost Corridor, but the corridor is adjacent to many higher income areas. Other low-income areas are more isolated.
The Troost corridor lost population in the 5% to 20% range between 2000 and 2010.
Demographics

The Troost Corridor is largely African-American/Black.
Crime risk is a serious problem in the Troost Corridor, but is likely manageable.
Some major assets to exploit are just outside the Troost Corridor, with many minor ones inside.
A Local Perspective on the Troost Corridor

THE ROLE OF HOUSING
While we find no independent effects of home ownership, there are positive significant effects of home environment, neighborhood quality, and residential stability on the reading and math performance of children between the ages of three and twelve.
The strongest evidence is provided for the deleterious associations between environmental toxins/hazards and crowding with children’s health, and for residential mobility with children’s short-term academic, social and emotional problems. The findings on assisted housing are mixed, and homeownership and affordability are not linked to children’s outcomes.
Maternal and Child Health Journal
(Issue 1, 2012)

• “Higher levels of behavioral problems were associated with socially disadvantaged neighborhoods and lower household [socioeconomic status]. . . . the most disadvantaged neighborhoods (those characterized by safety concerns, poor housing, garbage/litter in streets, and vandalism) had 1.9 times higher odds, children in poverty had 3.7 times higher odds, and children of parents with less than high school education had 1.9 times higher odds of serious behavioral problems than their more advantaged counterparts”
State of the Market

• Sales have picked up strongly in most areas, and inventories are low – a recipe for at least stable prices
  – But what about the shadow inventory?
• Servicing had gotten much better
• Delinquencies have stabilized
• But serious problems remain, and LMI is a totally different market
Existing Home Sales

Sources: National Realtors Association; Kansas City Regional Association of Realtors
Existing Single-Family Home Sales

Demand Constraints

• Economy/Financial Security
• Uncertainty about Market
• Household Formation
• Credit Availability

![Graph showing Homebuyer Traffic](image)

Index: 50=Neutral

- Investor Traffic
- Current Homeowner Traffic
- First-Time Homebuyer Traffic
Months Supply of Existing Homes (KC MSA)

Source: Kansas City Regional Association of Realtors
Existing Single-Family Home Prices

Source: FHFA, Kansas City Residential Realtors, National Association of Realtors

Index: Q1 2006=100

KC, FHFA
KC, Realtors
US, FHFA
US, NAR

Source: FHFA, Kansas City Residential Realtors, National Association of Realtors
Mortgage delinquencies remain most serious in lower-income areas, but the problem has spread.
Serious Mortgage Delinquency in the corridor
Home Vacancy

In some areas of the Troost Corridor, vacancy rates within Census tracts are as high as 15 – 25 percent.
What do we do?

• Counseling
• Modification/short sale – getting better
• City ordinances ✓
• Demolition (green space? New homes?)
• Others?
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